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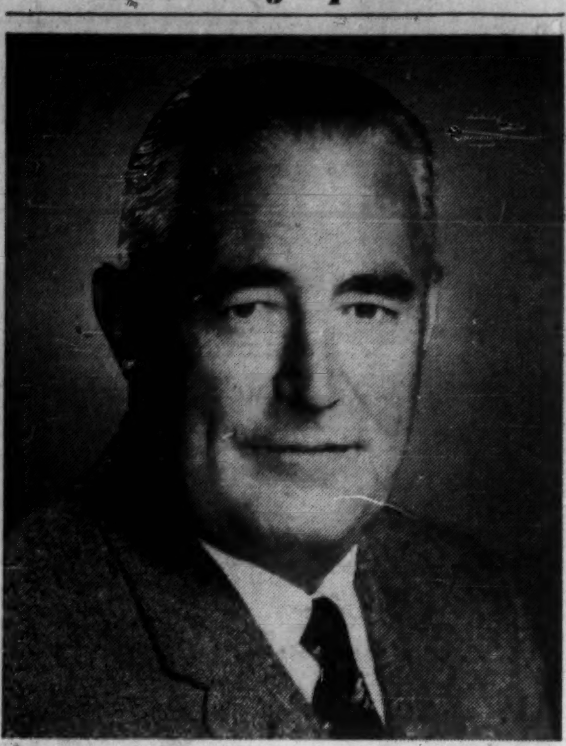
Heads Big Spenders



Geoffrey L. Haszard is the new president of the Canadian Association of Purchasing Agents, the 2,300-member body representing the men who do the bulk of Canada's multi-billion business buying. Mr. Haszard is general purchasing agent for British Columbia Electric Co., Vancouver.

More about British Columbia, pp. 49-68.)

NATION'S BUSINESS

Kindest Cut of All Is Tax Holiday

Income tax cuts to help restore the boom are coming very shortly in the U. S. and in Canada soon after the election. But how much extra spending will be created by a tax cut that, for an average Canadian family means, say, an extra dollar a week to spend?

That will mean very little to the pace of business, within a year at least. But from a professor at Yale comes a really good idea. He says do this another way. Declare an income tax holiday for one month, or more if necessary.

This suggestion has several virtues. The tax holiday could be declared promptly and the effect on buying would be instantaneous. Nobody will do anything important for themselves or the economy with an extra dollar a week.

But give people and corporations an extra substantial chunk of money — a whole month of income taxes — and the effect on buying would be quite remarkable. Something very worthwhile for the buyers and the sellers would be achieved.

Yale Professor Wallach says his scheme would "score much more effectively against the recession than any other, psychologically as well as economically. Instead of cutting income taxes by a few per cent for a year or longer, as has been proposed, we might cut them out completely for a month or two. A cut of one-twelfth, for a married taxpayer with two children and an income of $6,000 means a saving of 96 cents per week if spread over a year. This is not the way to bolster purchasing power and consumer morale in a hurry. The same tax cut concentrated in one month would mean $50 right then. Here is a cut that the taxpayer can see and that the economy can feel.

"This sort of tax cut — the 'kindest cut of all' — would meet the needs of our case in more respects than one. It would help to clean out top-heavy inventories. It would stimulate the demand for durable consumer goods by providing lump sums of about the size of the down payment on many household items."

This plan would not commit governments to a change in the tax rates. At a time of business slow-down, a softening of taxes and deficit financing probably makes sense. But deficit financing certainly doesn't make sense any other time. And as soon as we get out of the present trough there is every indication we will soon again be battling inflation fires.

So conventional tinkering is likely to catch governments at a most inappropriate time with their tax rates down.

The tax holiday proposal makes very good economic, political and psychological sense.

* * *

No Subject for Politics

Now, more than at any recent time, the hope of running a business safely and profitably depends on forming a good judgment about the trend of the economy as a whole.

You won't find a more concise or penetrating account of how we arrived at our present economic state than in Mr. Coyne's Bank of Canada Report, see page 9. And don't in the least be upset by the hints thrown about by some Liberals that Coyne is on their side or by Tories that Coyne has been wrong about "tight money." The whole row about the Coyne report is merely a wretched little quibble about words.

If it becomes anything more than that, if the politicians are going to try running the Bank of Canada and dictating what its Governor shall say, then, there is a great deal of trouble in store for every Canadian.

Coyne's recent critics know no more about running the central bank safely or wisely than a five year old knows about running an airliner.

The story of the slump reflects neither credit nor discredit on either political party. The economic forces at work were very big and very subtle and the most important of them were beyond the scope of political action which would be generally acceptable in peacetime. The politicians are wasting their time and confusing the public when they argue whether the recession started before or after last June's election.

Did Too Much Too Fast

As Coyne sees it the last boom got roaring in 1955, showed signs of weakening in 1956 and then definitely petered out the last half of 1957. He calls it "rather hectic," "excessive," "over-rapid" and of course inflationary. He traces it back to its cause in a violent rush to develop new Canadian sources of raw materials for export, and he points out that many of the investment decisions are made by people who are not Canadians nor resident in Canada.

Before 1956 was over, Mr. Coyne says, it was obvious that the capacity of some of the primary industries dependent on export was expanding far faster than world demand. From then on, the end of the boom and the reaction into recession was inevitable. The only question was when it would come and it came a little earlier than generally expected because of the rapid decline in world demand for our key materials.

But the fundamental lesson of the Bank of Canada Report can be neatly summarized by recalling words we used in this space nearly two months ago:

"Too rapid expansion, with its accompanying inflation, was certain to produce recession. Until we accept that fact it is waste of breath to talk about 'smoothing out the ups and downs', when what we really mean is that we want the ups without the downs. Life is not like that." In defense of his own monetary policy Mr. Coyne adds just one other thing; and we believe it is valid too. If the inflation had been worse as the result of easier money, the following recession would have been worse too.

JOBS AND SPENDING

A Few Weeks of Spring And Road Dollars Roll

Roads budgets will hit record $900 million this year . . .

By RODNEY TOUCHE

Give us a few weeks of good weather early, and watch the road dollars roll.

That means about $900 million in jobs and spending right across Canada.

Our road building bill is almost certain to hit that record this year. All we need now is the weather.

There's every indication that spending will be increased at all levels — federal, provincial and municipal.

This is evident from provincial budgets for 1958-59 that have already been handed down, from the attitude of both major political parties and from the "make-work" projects of municipalities.

The view is backed by the Canadian Good Roads Association, which estimates 1957 spending at $861 million.

"From initial reports it is clear that the record $861 million level will be surpassed by a substantial margin," an official of the association told **FP** this week.

Provincial road budgets make up about 70% of the total.

Ontario spending has been set at $252.8 million, composed of $73.2 million for maintenance and $179.6 million for capital.

This is about 10% up on 1957 spending of $230 million ($67.2 million maintenance and $162.8 million capital).

Quebec government forecast includes $40.4 million ordinary account, $50.1 million capital ($37.4 million and $50.9 million last year).

Total spending, including the Laurentian toll road, may be as high as $120 million.

Here are other provincial estimates (with last year's figure in brackets): **British Columbia** $75 million ($70 million), **Alberta** $62 million ($58 million), **Saskatchewan** $30 million ($26 million), and **Manitoba** $40 million ($32 million).

Increased expenditures are also anticipated for **Nova Scotia** ($32 million), **New Brunswick** ($24 million), **Newfoundland** ($9 million) and **Prince Edward Island** ($4 million).

Figures for 1957 given for these provinces are unofficial estimates.

Municipal expenditures in 1957 totaled $167 million according to Canadian Good Roads Association estimates.

Extensive urban redevelopment programs, especially in Toronto, Montreal and Vancouver, are considered likely to boost this total.

Federal spending in 1957 added another $71 million.

With current plans for the development of northern roads (five provinces have agreed in principle to a $75-million, five-year program), and talk of a second Trans-Canada Highway in Western Canada, observers believe Ottawa's 1958 roads budget is certain to be higher.

Employment Bottoms Out May Steady at '57 Levels

By MICHAEL BARKWAY

OTTAWA (Staff) — Jobs for Canadians have fallen as low as they are likely to go.

The experts say that the employment situation is "bottoming out."

The decline is tapering off and the number of jobs is holding fairly steady.

It does not say anything about when an upturn may start.

But the official forecast is that employment is likely to hold throughout 1958 at around the levels of 1957.

This will mean unemployment at rather higher levels than last year.

But the number of people wanting jobs will not be growing anything like as fast.

Immigration will be down to a trickle, and the only significant increase in workers will come from the natural growth of population.

At mid-February the number of people without jobs and seeking work in Canada was 555,000, which is 9.5% of the labor force.

The March figure, when it is compiled a month hence, may be a little higher—perhaps 570,000.

Many had expected the peak to reach 600,000 or more.

But seasonally-adjusted figures now show the peak of unemployment was in December.

What this means is that the percentage rise from December to February was less than in recent years.

In absolute numbers it was a little larger; but the big bump in unemployment had occurred before the end of 1957.

In December 1957 the people looking for jobs (at 386,000) were 200,000 more than in December 1956.

In February 1958 they were only 232,000 more than a year earlier.

However, another significant measure of the recession's winter impact appears in the latest labor force survey.

It shows that short-time working was more prevalent than in previous years.

In January and February this year only 78% of the labor force were working a full week of 35 hours or more.

This compares with about 85% in 1957, 1956 and 1954, about 83% in 1955 and 87% in 1953.

(Employment details by industry, p. 8.)

Housing Starts and Sales At Brisk Pace in Ontario

By CLIFFORD FOWKE

Housing starts are still romping ahead of last year's levels in Ontario, and sales of new houses are maintaining a brisk pace.

Preliminary returns on home-building from **Central Mortgage & Housing Corp.** offices in Ontario give these highlights:

- **Starts in Ontario** region last month were 2,069, nearly three times what they were in the same month a year ago.

For the first two months of this year, they are up 206% over January-February, 1957.

- **Completions were 11.7% ahead** in February and 9.1% up for the two-month period.
- **Unsold houses** at the end of February totaled 2,233 as compared with 2,441 at the end of the same month a year ago.

Nearly 600 of the unsold total had been waiting for a buyer for six months or more.

Metro Toronto, generally, is scoring heavily.

Total starts in that area last month at 1,421 were 298% up on February, 1957, and completions were 32.5% ahead.

For the two-month period, the Metro total in starts was nearly four times the total for the same period last year while units under construction were up 43.5% at 9,993.

Meanwhile, despite the speeding completion rate, the number of houses completed but unsold in the Greater Toronto area is diminishing.

These totaled 1,761 at the end of last month as against 2,003 a year ago.

Here are figures of housing units under construction at the end of last month in the region and some of its major city areas as compared with the same time a year ago:

	1958	1957
Ontario Region	19,523	15,188
Greater Toronto	11,664	7,902
Guelph	161	75
Hamilton	1,436	1,301
Kingston	204	236
Kitchener	434	332
London	635	475
Niagara Falls	166	127
North Bay	205	120
Ottawa	1,650	1,584
Peterborough	172	110
St. Catharines	291	274
Sarnia	184	87
Windsor	522	[illegible]

Inside

Who Cares in Health Scares?

Nobody in Canada apparently. Cigarette sales are booming, and our cigarette manufacturers have just begun to fight for this booming market . . . . p. 25

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Here's a special report on what you can expect if a U. S. bomber drops an A-bomb on your property; also the latest news on atomic insurance in Canada . . . . p. 3

Executive Skills Getting Outdated?

Automation — using the word in its purest sense — may be outdating your skill, Mr. Executive. What you can do to keep up . . . . p. 17

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How Much Recession?

The Outlook

An FP roundup of the latest facts and expert opinion on the economic weather ahead . . .

By DALTON ROBERTSON

What the consumer decides to do is going to be a key factor determining the depth and duration of the slump.

It's his spending which helps clear off clogged inventories and spark new orders from the factories.

If consumers keep up the buoyant buying pace set in January, they would be a potent force slowing the production downslide in many industries. Retail sales in the month ran almost 6% higher than in January last year with sensitive-to-trends department stores reporting their sales up 9%.

These are sturdy gains, but take the totals apart and you can see the consumer isn't throwing around his retail dollar any more.

Higher prices account for about half the dollar increase; the consumer's dollar is moving a smaller volume of goods than a year ago. Also, figure in the larger population and it's apparent that per capita buying is still on the downtrend which started in the third quarter of last year.

* * *

With a definite softening on the income side, still more cautious spending can be expected.

December labor income at $1.2 billion was over 3% higher than a year before, but taking into consideration seasonal factors, wages and salaries were actually declining during October, November and December.

With greater unemployment since the year-end, it's a sure conclusion that this income is still dropping. Job-seekers hit 9.5% of labor force at mid-February (6.7% in the U. S.). The previous postwar high was 7.4% in March 1955 when the 1954 recession was ending.

Over-all consumer spending, however, is being cushioned by still-high dividend payments and by unemployment insurance cheques.

Critical test for first-quarter retail spending will come within the next few weeks, say department store men. And a great deal depends on the weather. (See Easter sales outlook on this page.)

* * *

Signs of easier money: (1) Yield on treasury bills continued to decline, dropping to 2.42% on March 13 from 2.66% a week earlier; (2) ceiling on installment finance company borrowing from the banks has been lifted.

In the annual report of the Governor of the Bank of Canada, J. E. Coyne, there are some indications, however, that the decline in interest rates may not go much farther. If capital spending is to be encouraged, rates have to stay high enough to encourage savings and attract foreign capital. (See p. 5.)

This could mean bond prices may not rise much more, say some investment men. Shakedown of interest rates throughout the economy, however, is likely to continue for a while as lenders adjust to a lower level of business activity.

Still the most likely to decline soon: Interest on bank savings and bank loans.

Timely comment by Mr. Coyne:

"Just as there was a marked tendency to be over-optimistic about the future during the recent boom so there is at the present time a tendency to be over-pessimistic."

* * *

Recession in the U. S. appears to be cutting deeper and giving signs of lasting longer.

Official survey of U. S. industry's 1958 spending plans shows **outlays on new plant and equipment will be 13% lower** than those in 1957. This contrasts with year-to-year gains during the boom, it's double the drop predicted last fall—**and it's bigger than the expected decline in the Canadian business sector.**

Bigger defense spending will help offset this—but only partially. One probable result: More pressure for income-generating tax-cuts.

And a sample compilation of U. S. fourth-quarter corporation profits shows these were sharply lower—on average about 13%—than a year earlier. In most companies, lower fourth-quarter earnings either pared down full year profits or brought 1957 profits below 1956 levels.

Recessionary forces currently hitting U. S. industrial production harder than Canadian output. Production in the U. S. is running about 11% below a year ago while Canadian output is only down around 8%.

* * *

Reflecting the somewhat more buoyant business conditions persisting in Canada, industrial stocks in this country are holding up better, on average, than those in the U. S.

Recent gains in industrials were cut back only moderately during the past week—although a few issues with large U. S. followings showed sharp losses as Wall Street dropped.

OPTIMISTS SAY 10% UP

Predict 'Buoyant' Sales for Easter

Year's first real retail booster a vital time . . .

By RICHARD OGDEN

Easter sales this year will be "buoyant."

That's the retailer's way of saying as good as last year, perhaps a little better.

The most optimistic seers in some regions foresee a pickup of 5%-10%.

The most pessimistic predict a drop of 10%.

How much effect will the weather have?

It will be the key in many areas, since Easter (April 6) is coming early.

Cold, wet, slushy days keep the shoppers home. The spring buying mood fades.

Easter is the first real retail booster of the year; it's the season that carries retailers over the summer doldrums.

A healthy Easter sales book can hold the fort until autumn buying and the Christmas rush start.

The Easter outlook by fields:

- **Clothing:** Increases predicted, particularly in women's wear. Watch for the "sack" look everywhere after Easter Sunday.
- **Confectionery:** A 10% sales gain foreseen nationally.
- **Travel:** Easter bookings heavier than ever, to Canadian and foreign resort areas.

So far this year, Canadian retail sales have held up well in dollars, though this has its dark side too (see The Outlook on this page).

In the U. S., sales have been slipping.

The U. S. slide is largely due to more evenly distributed unemployment there, and to much wider sales fluctuations in the U. S. economy.

One interesting Easter sidelight:

For all their difficulties, Canadian textile mills have put very little distress merchandise on the market this season.

A look at Easter by **FP** correspondents, p. 15.

Dealers Rap Oil Companies In Price War

A gasoline price war in Toronto may send prices down to a low of 25.9c gal.

Meanwhile the economics of gasoline retailing are being offered for public scrutiny by service station operators who fear they will not survive a prolonged war.

Price cutting became general last week when many stations began selling standard grade gas at 36.9c instead of 44.5c (price of premium gas remains generally unchanged).

At midweek, a few stations had cut still further to 31.9c.

"It's going to be a long drawn-out battle," D. J. Fletcher, managing director of the Ontario Retail Gasoline and Service Association, told **FP**.

He claims to represent the interests of all metropolitan Toronto's 1,175 service station operators.

Fletcher predicts prices may drop to 25.9c and points to similar epidemics of price cutting in Windsor, London and Hamilton, Ont. He says it will drive many lessees into bankruptcy.

"In London, the price cutting lasted nearly seven years. Only

(Continued on page 8, col. 4)

THE SIGNS AND PORTENTS

CAR LEASING, on a long-term basis, attracts more attention as competition sharpens. Some Canadian dealers are among those enrolling for a three-day seminar on leasing held at the University of Miami. The university predicts by 1968 30%-40% of all cars on the road will be leased.

* * *

THERE'S TALK of the Soviet airline, Aeroflot, starting a Moscow-Vancouver run. It would be a first step into North America. If the route is approved, Canadian Pacific Airlines may also join in.

* * *

DIVIDEND POLICIES are disclosed by a National Industrial Conference Board survey of 184 firms: Nine out of 10 favor quarterly payments, two thirds rate continuity above size or stability of rate, half issue stock dividends, 57% try to pay a fixed percentage of earnings.

* * *

NOTE HOW British Overseas Airways Corp. makes a shrewd bid for young travelers. Its Junior Jet Club (children get logbooks in which the pilot writes the mileage) is adding a bulletin, Fleetwings.

* * *

ALCOHOLIC drinks are going into toothpaste tubes in Japan. Dehydrated versions of beer and whisky are being produced by a government laboratory in Tokyo. Squeeze a little out, add water. (Meanwhile, toothpaste isn't going into bottles. It's going into aerosol cans.)

* * *

MONTREAL IS missing no chances to get more teachers. A four-man recruiting team leaves in April to interview applicants overseas. More than 60 have responded to ads placed in U. K. and French papers. Half the applicants are Scottish.

CALL A DOCTOR in Russia and you'll most likely get a woman. No less than 75% of all doctors are women. In Canada the proportion is 4.2%, in the U. S., 3%. Soviet statistics indicate a ratio of one doctor to 617 people. In the U. S., it's one to 739, in Canada about one to 1,000.

* * *

NEWS OF 475,000 babies born in Canada in 1957 brings immediate cheer to at least one industry—the baby food makers. H. J. Heinz estimates that each of these babies will consume an average of 302 tins of baby food during 1958. Total intake: 143 million tins.

* * *

A U. K. EXECUTIVE, visiting Canada last week, was made an "honorary Indian chief" at a ceremony arranged by the firm's Canadian ad and pr agency. The agency hired seven Indian braves, in full dress, to bestow the honor at a party in a Toronto hotel bedroom. The Indians' fee: $200.

* * *

SOME 25 senior executives of Canadian business leave shortly for two weeks' visiting and travel in the Soviet Union.

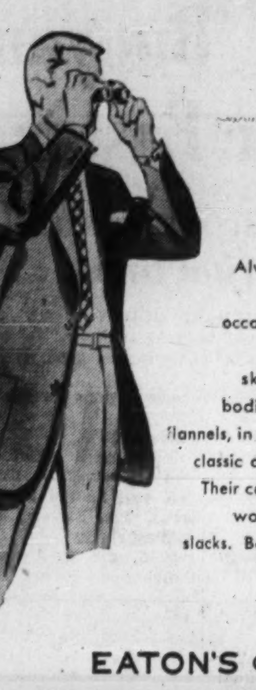
* * *

SOVIETS ARE revising their "master" production plans. Too many factories sacrifice quality to fulfill quotas. Since the quotas are based on value of production, others make only unwanted, high-cost goods. (Source of this news: Trade Minister Dmitri Pavlov, writing in Izvestia, the government paper.)

* * *

"FISH GO WILD over these delicacies," advertises a Canadian pet shop. What delicacies? Why, the new frozen foods. You can get brine shrimp, daphnia and tubifex worms in handy 1½ oz. plastic bags.

A TRADITION
with fashion-aware Canadian men . . .
THE NAVY BLUE BLAZER
by Birkdale



Always in good taste, and suited to every informal occasion on your calendar— "Birkdale" blazers are skilfully tailored from full-bodied English wool worsted flannels, in trim single-breasted and classic double-breasted stylings. Their complement — grey wool worsted flannel "Birkdale" slacks. Both pace-setters for style and value, and only at

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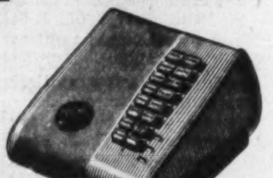

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SPINNING COTS

In the world-wide textile business, spinning cots are vital pieces of equipment. Literally millions of them are in daily use to spin both natural and synthetic yarns. Mounted in pairs, these cylindrical rollers supply the pulling power to draw loosely knit ribbons of fibre into a thin, strong thread.

Until recently, cork and leather were used almost exclusively in the manufacture of these cots. Today a significant number are being made from synthetic rubber. Resultantly, costs have been sharply lowered and useful life materially lengthened. *Polysar Krynac, the rubber used for these improved spinning cots, is one of twenty-four types of synthetic rubber developed and produced by Polymer Corporation.

The textile industry is one of many to which Polysar synthetic rubbers are bringing new values and new economies.

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Trend of Business

Canadian jobless reach new peak. Mid-February estimates by the Dominion Bureau of Statistics place the number of unemployed at 555,000, a rise of almost 7% over the previous month's 520,000 but less than had generally been expected. Latest estimate represents 9.5% of the total labor force of 5,869,000. Previous post-war high of 8.8% was reached in January, 1958. All-time high of 19.3% was in 1933 with 817,000 looking for work.

Fewer claims for unemployment insurance in January. Initial and renewal claims filed in the month totaled 367,382, down 26% from the December total of 499,213 but up 1.8% from the 1957 January total of 361,055. Claimants on the register four weeks or less made up less than 40% of the total at the end of the month — a sharp decline from Dec. 31, when this group accounted for over 60% of all claimants.

Canadian retailers maintain brisk pace. Retail sales rose almost 6% in value in January to $1,091 million. Sales of independent stores increased 4.5% to $880 million from a year ago and chain stores 12.6% to $211 million. All provinces shared in the month's gain, with Saskatchewan showing the largest proportionate increase of 12%. Other gains: Alberta 8.5%; Manitoba 8.2%; Maritimes 7.4%; Ontario 5.1%; British Columbia 4.9% and Quebec 4.8%.

These were the retail gains by trades in January: Shoe stores +18.8%; women's clothing +14.3%; building materials +12.7%; grocery and combination +11.1%; variety stores +10.5%. Motor vehicle dealers showed an increase of 2.3%, the first since April, 1957. Only fuel dealers had a sales decline (—11.6%) from a year earlier, due to exceptionally mild weather.

Building permits up in value in January, climbing 34% to $99.8 million from $74.7 million a year ago. Residential permits totaled $57.3 million vs. $22.4 million and non-residential $42.5 million vs. $52.3 million in first month of '57. Provincial totals were: Nfld., $104,000 ($1.7 million a year ago); P. E. I., $528,000 ($95,000); N. S., $530,000 ($1.2 million); N. B., $463,000 ($902,000); Que., $19.3 million ($18 million); Ont., $48.5 million ($33.4 million); Man., $5.4 million ($3.8 million); Sask., $699,000 ($368,000); Alta., $7.6 million ($4.3 million); and B. C., $16.7 million ($10.8 million).

Motor vehicle sales continue to lag. January sales of 30,933 units ran 5.5% behind previous year with $92.4 million value down 7%. New passenger car sales eased to 26,455 units from 26,694 but the retail value rose to $79.1 million from $78.1 in the same month last year. Commercial vehicles registered a 26% decline in number sold (4,478), and dropped 34% in value ($15 million).

Nearly 40% new car buyers seek terms. Some 10,567 new cars were bought on credit worth $24 million in January compared with 10,498 units involving $23.3 million a year earlier. New commercial vehicles financed in the month totaled [illegible],506 vs. 2,291 and involved $4.8 million vs. $7.8 a year ago. Sales of 21,201 used cars were financed for $21.1 million as against 20,014 units bought on credit for $18.8 million a year earlier.

Carloadings still on the downhill. Number of railway cars loaded in the first two months of the year declined 7.5% to 551,241 from 596,143 a year ago. Major commodities loaded on fewer cars during the period included: wheat, coal, non-ferrous ores and concentrates, iron and steel products, pulpwood, newsprint, sand, gravel and crushed stone. Loadings of livestock and lumber increased in the two months.

Major Weekly Indicators

	Latest Date or Week Ended		Previous Week	Previous Month	Year Ago
Department store sales, % change from year earlier	(Mar. 8)	+11.1%	—3.0%	+2.7%	+6.5%
Carloading totals	(Feb. 28)	66,332	63,392	103,908*	74,350
Eastern Canada	(Feb. 28)	44,302	40,125	67,062*	43,818
Western Canada	(Feb. 28)	22,030	23,267	36,846*	24,941
Iron and steel mfg.	(Feb. 28)	1,326	1,272	2,057*	1,720
Ores, concentrates	(Feb. 28)	3,090	2,809	4,176*	3,469
Base metals	(Feb. 28)	564	605	861*	724
Lumber, timber, plywood	(Feb. 28)	3,845	3,618	5,190*	3,366
Cement	(Feb. 28)	346	260	450*	593
Passenger car production	(Mar. 15)	7,154	5,778	7,185	8,876
Truck production	(Mar. 15)	1,219	1,129	1,201	1,696
Chartered Banks					
Personal savings ... ($ millions)	(Mar. 5)	6,424	6,354	6,338	6,102
Loans outstanding .. ($ millions)	(Mar. 5)	5,319	5,315	5,448	5,379
NHA mtge. holdings ($ millions)	(Mar. 5)	608	606	597	506
Bank of Canada holdings of					
Securities .... ($ millions)	(Mar. 12)	2,418	2,418	2,382	2,246
Short-term govern. ($ millions)	(Mar. 12)	1,323	1,301	1,244	1,097
Long-term govern. ($ millions)	(Mar. 12)	1,041	1,063	1,084	1,150
Other securities ... ($ millions)	(Mar. 12)	16	16	16	24
Bank clearings:					
Montreal .... ($ millions)	(Mar. 13)	710	885	711	733
Toronto .... ($ millions)	(Mar. 13)	994	1,357	1,092	820
Canadian dollars (U.S. cents, av.)	(Mar. 14)	102.321	102.106	101.930	104.602
T.S.E. industrial index	(Mar. 18)	420.42	423.85	414.46	452.77
Yield, 114 stocks	(Mar. 17)	5.07%	5.10%	5.16%	5.15%
Bus. fail., 4-week moving av. (no.)	(Mar. 5)	37.2	39.7	37.0	37.2

* Ten-day end-of-month period.

Facts by the Month

	Latest Month		One Month Previous	Two Months Previous	One Year Previous
WHAT WE PRODUCE—					
In all industries (Index)	Dec.	260.7	286.0	289.9	279.4
In factories (Index)	Dec.	252.9	280.4	282.7	277.7
Total nondurable goods (Index)	Dec.	224.6	246.8	253.3	237.7
Food & bev.	Dec.	229.3	260.7	272.7	229.0
Textiles	Dec.	149.3	166.3	167.5	126.1
Clothing	Dec.	143.8	150.2	157.7	152.0
Chemical products	Dec.	288.3	305.2	308.8	287.6
Total durable goods (Index)	Dec.	297.1	332.3	328.0	340.3
Iron & steel products	Dec.	256.5	290.1	295.1	315.2
Primary iron & steel	Dec.	308.9	365.7	360.2	401.7
From mines (Index)	Dec.	264.9	291.5	311.9	270.4
Metals	Dec.	163.0	169.8	175.7	130.8
Nonferrous smelting, refining	Dec.	261.7	285.0	271.0	302.4
Gold	Dec.	102.3	108.5	111.1	102.4
—From farms					
•Cattle delivered (000)	Jan.	158	189	196	147
•Hogs graded (000)	Jan.	439	517	444	403
•Flour (Index)	Dec.	130.5	151.9	148.3	131.3
—From sea					
East Coast catch ($000)	Jan.	1,430	1,767	3,137	1,269
W. Coast catch ($000)	Jan.	530	630	1,416	1,263
—From forests					
•Newsprint (000 tons)	Feb.	474	498	435	519
Pulp (000) tons)	Jan.	752	661	796	882
—In powerhouses					
Electricity (million kwh.)	Dec.	8,224	8,174	8,087	7,404
WHAT WE SELL—					
•Retail sales ($ millions)	Jan.	1,091	1,432	1,209	1,030
•Dept. store sales ($ millions)	Jan.	85.3	171.9	144.9	78.3
Wholesale sales ($ millions)	Dec.	603	617	657	630
Mfrs. outstg. orders ($ millions)	Dec.	2,440	2,470	2,602	3,119
Pass. car sales (units)	Dec.	23,149	22,348	20,850	....
WHAT'S ON HAND—					
Mfrs. inventories ($ millions)	Dec.	4,854	4,898	4,906	4,655
•Dept. store stock-sales ratio	Jan.	3.9	2.0	2.1	4.0
SPENDING, SAVING POWER—					
Labor income ($ millions)	Dec.	1,288	1,313	1,335	1,248
•Dividend payts. (Index) (annual rate)	Mar.	317.2	317.3	317.2	325.5
JOBS—					
•Persons with jobs (000)	Feb.	5,314	5,371	5,580	5,362
•Jobless seeking work (000)	Feb.	555	520	386	323
•Do. (% of labor force)	Feb.	9.5	8.8	6.5	5.7
CONSTRUCTION—					
Contract awards ($ millions)	Jan.	190	187	261	125
FOREIGN TRADE—					
Exports ($ millions)	Jan.	389	453	428	403
Imports ($ millions)	Jan.	401	395	454	459
MONEY—					
•Money supply ($ millions)*	Dec.	11,500	11,322	11,639	11,192
•Cheques cashed ($ millions)	Jan.	17,365	19,245	18,219	17,773
•Life insurance sales ($ millions)	Jan.	395	384	392	355
•Notice deposits ($ millions)	Jan.	6,735	6,656	6,605	6,477
•Current public loans ($ millions)	Dec.	5,405	5,457	5,358	5,363

*Total deposits, less Govt. of Canada deposits, less float, plus notes in circulation outside the banking system.

	Latest Month		One Month Previous	Two Months Previous	One Year Previous
PRICES—					
Consumer price (Index)	Feb.	123.7	123.4	123.1	120.5
•Wholesale price (Index)	Feb.	227.7	226.8	225.9	222.2

STRATEGIC MATERIALS—Production and Supply—	Latest Month		Month yr. ago	Yr. to date	% chge. yr. to date
Steel ingots and castings (000 tons)	Dec.	351.0	450.1	5,136.8	—3.2
Primary copper (000 tons)	Dec.	34.0	30.4	353.6	—0.3
Nickel (000 tons)	Dec.	15.1	14.8	188.9	+5.8
•Lumber exports (millions fbm.)	Dec.	296.6	245.9	3,646.5	—7.7
Lumber (millions fbm.)	Dec.	374.6	410.7	6,943.1	—10.8

Index based: production 1935-39=100; consumer price index 1949=100; wholesale price index 1935-39=100.
•New item this week.

Date of issue for your file, The Financial Post, Mar. 22, 1958.

Look For It Here

March 22, 1958

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AIRPORT PROPERTY

From Our Own Correspondent

HALIFAX — Department of Transport has granted two airport property sites to **Fairey Aviation Co.** of Eastern Passage, N.S. The company expects to build hangars on these sites. Expansion at Fairey Aviation was seen by some as proof of confidence on the part of the company that further federal government orders were in the offing.

Quebec Power Will Spend $2.5 Million

MONTREAL (Staff) — **Quebec Power Co.** expects to spend some $2.5 million on capital account this year, President J. A. Fuller told the annual meeting.

Last year: also $2.5 million.

He said company "will probably need to raise additional funds by sale of securities" in latter 1959.

"Funded debt is now somewhat less than 50% of our total capital, so that we can issue additional first mortgage bonds to cover our own requirements and still maintain a conservative financial structure."

Fuller said he anticipated continued growth.

Retirement of J. N. Sicard as vice-president and general manager — and a director — was announced at the meeting.

He will be succeeded by Henri F. Beique, previously assistant general manager.

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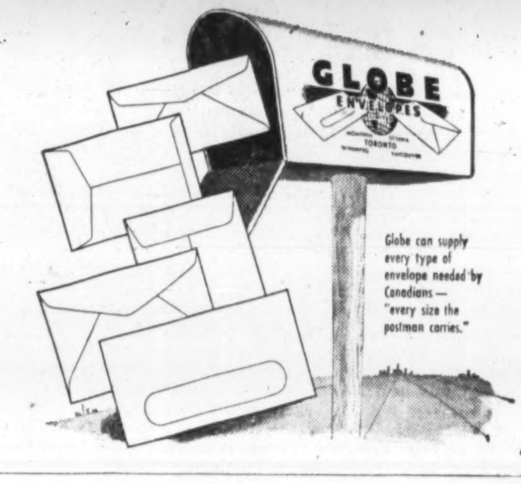

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• Each month the BNS reports on some topic of current economic interest in its Monthly Review. To put your name on our free mailing list, write to Economics Department, The Bank of Nova Scotia, 44 King St. W., Toronto 1, Ontario.

H-38

The BANK of NOVA SCOTIA
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A-Bomb Error Over Canada: What Danger?

A SPECIAL REPORT

By LEONARD BERTIN

Mr. Bertin, FP science editor, is attending the nuclear congress sponsored by the National Industrial Conference Board.

CHICAGO (Staff) — Worried about death or contamination from an "accidental" atomic bomb?

If you are, you join a lot of Americans who also live under the wings of the USAF's Strategic Air Command.

Remember the "unarmed" A-bomb that fell on a South Carolina community a few days ago?

That was only one of several atomic bombs that have been crashed or jettisoned by U. S. aircraft — planes that also fly over Canada every day.

All of these bombs, with one possible exception in the U. K., landed on U. S. territory or in the sea.

Suppose a U. S. A-bomber crashed in Montreal, or accidentally dropped its "thing" on Toronto or Winnipeg.

What could you expect? What are the facts?

At Florence, South Carolina, a house was completely wrecked, a church was damaged and a crater 30-ft. deep was blasted in the ground.

This was done by the ordinary TNT trigger of the A-bomb. That means only the TNT in the bomb went off, not the atomic part.

• **Could the bomb** have gone off atomically?

• **What harm** could have been done by radioactive materials (such as deadly plutonium 239) scattered by the TNT?

The official U. S. answer is "no" to the first question.

They say that it's difficult to prevent TNT from going off when it falls, just as it would be impossible to stop far more sensitive dynamite from exploding on severe shock.

But the function of the TNT in an A-bomb is only to compress a certain "critical" mass of actual nuclear explosive (uranium 235 or plutonium 239).

When this happens, the atomic explosive goes off spontaneously.

To guard against this, A-bomb designers have arranged that a substantial fraction of the atomic explosive can be kept separately and inserted in flight by the bomber's bombardier, radio operator or wireless operator.

The bomb is armed only when approaching a real live target.

The designers have also arranged that a capsule of radium which normally ends up in the very centre of the bomb and adds to its efficiency is not placed in the firing position until the last crucial moment.

These precautions sound foolproof.

However, the human factor enters.

First, in the form of the scientist's calculation of the critical mass.

Second, in the form of the airmen who control the bomb.

What about the radioactivity from a crashed A-bomb that doesn't go off atomically?

U. S. experts have given no official clarification of what happens when the TNT blows up and scatters the nuclear components of the bomb.

This is probably secret information, since almost anything said may give the Russians important background on how the U. S. bomb is designed.

Unfortunately, these atomic explosives (especially if they contain plutonium 239) are as toxic as any substance on earth.

Men who work with plutonium in factories wear frogmen's suits or pressurized plastic suits to prevent taking into the body the slightest trace of this deadly poison.

It is so deadly that an amount too small to notice could, if absorbed through mouth, nose, eyes or other orifices, be passed directly to the bones of the body.

It might be the direct cause of an agonizing death years later and horrible effects on children born of parents who had been exposed.

U. S. officials are obviously hoping that in the South Carolina incident the TNT completely vaporized and dispersed all the atomic materials.

In theory, that may have happened.

But perhaps it didn't.

The record of some of the U. S. atomic energy spokesmen for telling the public the truth and the whole truth about the effect of their operations has not been very good.

A notable example:

Their ardent reassurances to the public that all was well were less than honest in the case of the Japanese fishermen off Bikini who were accidentally dusted with bomb fall-out.

One U. S. investigator who has studied the Bikini accident most thoroughly blasts U. S. atomic energy officials for touting the virtues of their "humanitarian bomb."

On this, Ralph Lapp writing in Harper's magazine has said: "This adjective 'humanitarian' is so absurd that it was soon replaced by 'clean.'

"The semantic nonsense about the 'clean' bomb continues.

"Perhaps it is more dangerous than mere nonsense, since it implies a kind of aseptic war, thus removing the element of terror and hence of restraint from the use of nuclear weapons.

"The true striking power of the atom was revealed on the decks of the (Japanese fishing boat) Lucky Dragon.

"When men a hundred miles from an explosion can be killed by its silent touch, the world suddenly becomes too small a place for men to clutch such weapons."

— Advertisement —

A Conversation That Helped Me Earn $11,000

By a Wall Street Journal Subscriber

While lunching at the Athletic Club, I overheard two men talking about how to get ahead.

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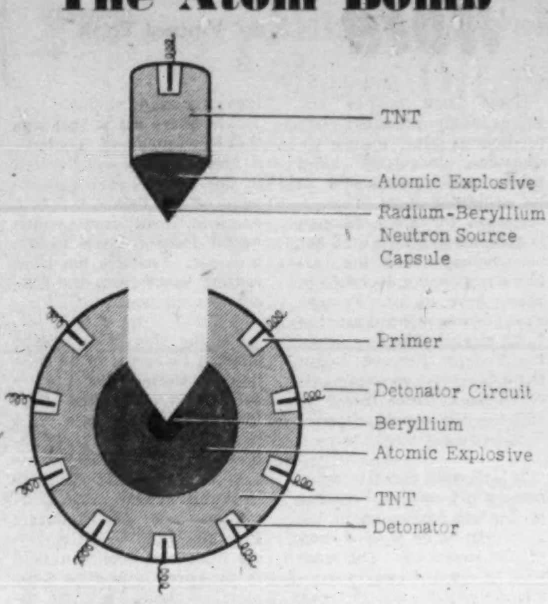
The Atom Bomb



1 How an atomic bomb is armed: The arming device (removed in this diagram and shown at top) contains (a) radium which, when in contact with beryllium, produces neutrons and (b) the segment of atomic explosive required to complete the bomb's critical mass.

2 The bomb proper contains (a) beryllium core as a neutron source, (b) atomic explosive, (c) TNT and (d) detonators for the TNT.

3 When the arming device is placed in the bomb, (a) the radium and beryllium come together, (b) the critical mass of atomic explosive is complete and (c) all of this is surrounded by TNT.

4 The atomic explosive itself only becomes "critical" when sufficiently compressed by instantaneous explosion of the TNT trigger.

If a U. S. bomber drops an A-bomb on your property, how do you collect damages?

The U. S. government has measures to compensate for damage by government-owned atomic installations or weapons. But what if you couldn't collect without a fight?

How would you sue?

On the brighter side, however, you soon will be protected against atomic dangers from privately-owned reactors or processing plants right here in Canada.

Here's an up-to-date report on atomic insurance in Canada:

Atomic Insurance Ready in Months

Canadian firms pooling for biggest risk . . .

By DALTON ROBERTSON

If a U. S. plane crashed on your property while carrying a nuclear weapon, you (or your heirs) could:

• **Ask compensation** from the U. S. government under special atomic age laws.

• **Failing that, apply for leave** to sue the U. S. government in the U. S. under U. S. law.

• **Or try to prove negligence** on the part of the aircraft crew and sue the plane's commander — if he lived — or his estate.

No matter what course you took, you would probably be involved in one of the most fantastic legal cases in history.

But with private industry moving into the atomic age, you can count on more easily settled claims should a mishap occur at a privately-owned nuclear installation.

Canadian insurers expect to be ready to insure corporate owners of reactors or processing plants against nuclear risks within a month or so.

Companies in the long-established fire and casualty field are currently completing pooling arrangements to take on the biggest risk of all — claims that might arise should a nuclear plant get out of control.

The pooling agreement is designed to spread risks too big for any one company.

Copies of the proposed agreement have been distributed to industry members by the Nuclear Reactor Insurance Committee in Canada, a group of leading general insurance companies which first met a year or so ago.

Outcome will be the Nuclear Insurance Association of Canada, industry spokesmen expect.

A few atomic age risks in Canada have already been insured by individual companies.

These will be taken over by the association when it becomes a reality, **FP** was told.

One of these covers the risks of a plant processing uranium rods.

Shortly to be covered are the risks inherent in the operation of the University of Toronto's sub-critical reactor.

Through the new industry-wide association, member companies will offer two types of policies:

• One will insure owners of reactors against damage to their plant and equipment.

• The other will provide for third party liability to protect the owners of nuclear property from claims arising out of bodily injury and property damage.

One of the biggest problems faced by the industry is rate setting. Traditionally, insurance companies base premium rates on experience.

In the nuclear field, however, no one knows what damage costs could amount to if a reactor or processing plant went out of control.

Committee members who planned the pooling agreement have studied rate schedules set by the U. S. and U. K. pools.

It seems likely that Canadian rates will be in line with these.

Insurers in Canada will likely cover risks in this country only, although they may accept re-insurance placed with them from abroad.

The U. K. nuclear insurance pool, however, has a foreign department which will underwrite risks in other countries.

The U. S. pool on the other hand, was designed primarily to underwrite risks within the U. S. itself.

U. S. Insurance Companies Cover First Atom Utility

CHICAGO (Staff) — North America's first atomic power station completely owned by a utility will carry third party insurance coverage of $560 million.

The Dresden nuclear power project, about 30 miles from here, will start operating in July, 1960.

It will provide insurance companies with their first live atomic power customer.

The first $60 million will be underwritten by a pool of companies at a premium still to be determined.

Remaining coverage will come from the government under provisions of the "Price-Anderson Act" which indemnifies all concerned with the design, supply of materials, construction and operation of the station.

Businessmen here generally feel that while there are still many details to be settled, the matter of third party liability is now well under control.

The law stipulates that the company's other assets or securities may be accepted in lieu of private insurance coverage to qualify for the government indemnity, without which no private atomic reactor may be started up even for test.

Amount of private coverage required depends on the type of reactor.

The present minimum is $250,000, required for research types in universities, etc.

Up to now no project has been delayed because of failure to find financial guarantee.

Accidents involving government-owned facilities, for example Shippingport power station, or a weapons accident, are automatically state-covered.

Little Change in Coffee Prices Despite Surpluses

MONTREAL (Staff) — The surplus-ridden coffee situation is percolating uncertainly in Latin America. But immediate effects on retail price tags in Canada are minor.

Retail prices, steady now, are down 15c to 20c lb. compared with a year ago.

Further reductions will come if exporting countries fail to stabilize the market in the face of world over-production and bumper crops.

Demand for coffee futures was spurred when members of the Mexican Coffee Agreement voted to cut export quotas for the period April 1 to June 30.

But last mid-week there was a break of as much as 2c lb., followed by short covering.

The reduction in quotas was said to be motivated by less demand from the U. S. and prospects of a drop in North American consumption.

Colombia is trying to stabilize prices although Americans are buying sparingly and some independent traders in New York are offering coffee at a few cents below established minimum prices.

Brazil's foreign exchange reserves have been depleted. Her currency has fast depreciated as a result of low coffee exports.

Last July, Finance Minister Jose Ailmin of Brazil established a government policy of not exporting coffee under a certain price level.

Foreign prices did not improve, Brazil was unable to sell even what was left after retaining 20% of the exportable quota as agreed with other Latin-American producers.

Meanwhile the government was acquiring vast amounts of coffee with cruzeiros it couldn't spare. Estimates of Brazilian government holdings range from eight million to 11 million bags.

Exports in the first two months of 1958 were less than half those in the corresponding period last year.

With a large crop on hand and an even larger one in prospect for the year beginning July 1, further surpluses are in prospect.

Brazil depends on coffee sales for 70% of its foreign earnings. According to sources in Rio de Janeiro, the over-all coffee problem can only be solved by the encouragement of greater foreign consumption.

Mexico contributed to the confusing situation by cutting its export tax by $1\frac{1}{2}$c lb. That step will have no effect in Canada where consumption of Mexican coffee is negligible.

Life Sales 11% Higher

During January, Canadians purchased new life insurance policies with a face value of $395.3 million. This marks an 11% increase over purchases in the same month last year.

January sales of ordinary life insurance at $311.9 million were 16% higher than a year earlier.

Industrial life sales which totaled $6.2 million were down 8.8%.

There was a small decrease in new group life sales at $77.2 million ($78.8 million).

Sales of new ordinary life policies were higher in all provinces except PEI.

Here is the record of ordinary life sales during January by provinces as compiled by the Canadian Life Insurance Officers Association:

	$000 1958	$000 1957
Alberta	24,600	21,200
British Columbia	29,800	24,700
Manitoba	13,800	11,200
New Brunswick	5,700	5,200
Newfoundland	1,600	1,300
Nova Scotia	9,100	6,600
Ontario	125,900	113,200
Prince Edward Island	600	800
Quebec	91,800	77,300
Saskatchewan	9,000	7,900

Here are sales figures by months:

	1958	1957
January	311,900	233,400
February	....	250,400
March	....	273,500
April	....	278,300
May	....	283,800
June	....	292,500
July	....	280,616
August	....	256,500
September	....	248,400
October	....	302,600
November	....	347,700
December	....	352,600

WOOD EXPANDS

W. Lloyd Wood Co., Toronto, has acquired **Palmers Ltd.,** Montreal, distributor of cosmetics and toiletries. Palmers' headquarters will now be in Toronto. George A. Boddy has been appointed vice-president and general manager, Palmers. Executive and sales staff have been increased to handle this new division.

MANUFACTURER WHO WANTS TO EXPAND . . .

Here is the ideal location:

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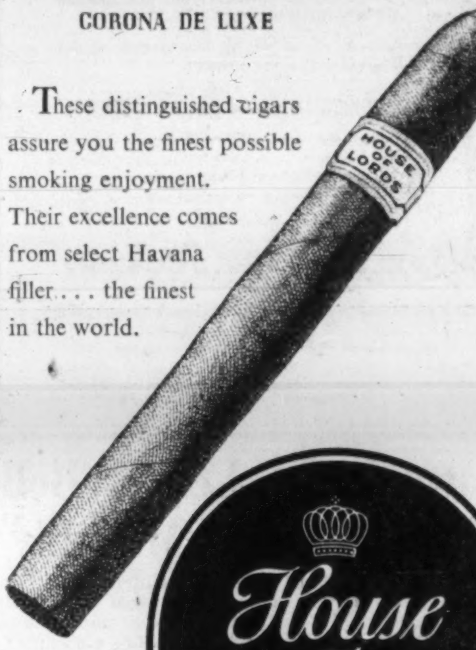
These distinguished cigars assure you the finest possible smoking enjoyment. Their excellence comes from select Havana filler . . . the finest in the world.



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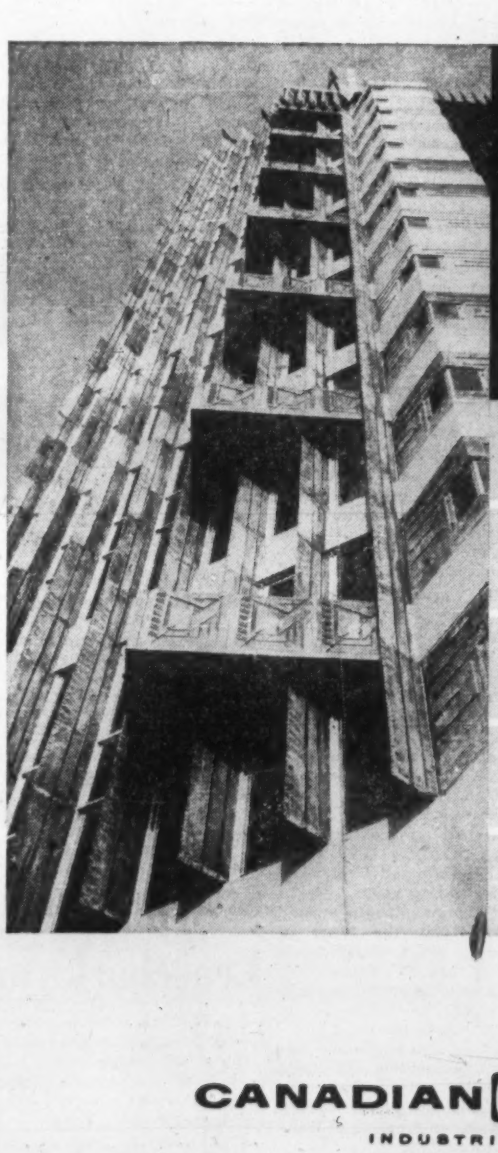

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✔ Made in Canada, Vampco is especially designed for Canadian climatic conditions . . . is virtually leakproof for the life of the building. As functional as it is beautiful, Vampco provides architects with unlimited scope for design.

✔ Canadian Pittsburgh Industries Limited, the sole Canadian distributor for Vampco, offers owners, architects or builders a "One Responsibility" contract for the complete enframement of a Curtain Wall building.

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V-58

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The Municipality of

Metropolitan Toronto

4¾% Debentures

Maturing April 1, 1978
(Non-callable)
Denominations: $1,000, $5,000, $25,000 and $100,000

These Debentures are direct obligations of the Municipality of Metropolitan Toronto, a federation of the City of Toronto and twelve surrounding Municipalities. A Sinking Fund will be established sufficient to retire the Debentures in full at maturity.

With an area of 240 square miles, a population of 1,380,000 and an assessment in 1958 of $3,345 millions, Metropolitan Toronto is one of Canada's largest and wealthiest municipalities.

We recommend these 4¾% Debentures as an outstanding municipal investment.

Price: 98.75 to yield about 4.85%

Subject to prior sale and change in price.

Write or telephone for particulars or to place an order.

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Ottawa Delay Leaves Bell $850,000 Short Monthly

MONTREAL (Staff)—Ability of **Bell Telephone Co. of Canada** to attract savings of Canadian investors will be seriously weakened if the company cannot remedy deterioration of its earnings in relation to other Canadian industries.

That's what Bell President T. W. Eadie told shareholders attending the company's annual meeting in Montreal last week.

In a sharply worded statement, Eadie said the Federal government's decision to suspend rate increases recently approved by the Board of Transport Commissioners until May 1 was "depriving" the company of $850,000 in revenues per month.

Also at the annual meeting:

Shareholders approved a by-law authorizing issuance of bonds or other debt securities to an aggregate of not more than $100 million.

Also approved was a motion to boost capital stock from $500 million to $750 million.

In 1957 the company raised $123 million to finance improvement and expansion. It will require a similar amount of new money in 1958. Some $50 million has already been raised this year by sale of bonds to U.S. institutional investors.

The rate increase approved by the Transport Board was originally scheduled to come into effect Jan. 31. It was appealed to the Governor-in-council by 35 municipalities that opposed the company request for the increase.

"Although the government was informed of the company's earnings position, the cabinet decided to defer consideration of this appeal until after the federal election," Eadie said.

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This is a particularly interesting opening calling for experience in the erection of suspension bridges, cantilever bridges, and bridge structures involving erection by flotation.

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58-11

Why They're Moving

Facts and comment on what's going on in the market and rumors behind some of the moves.

By FRANK KAPLAN

The latest report on capital spending plans had a major surprise — a much less-than-anticipated decline in Canada for 1958. Certainly, spending on new facilities is expected to be less than the 1957 record but it should hold well, with the dip less than 3%.

Immediate reflection in the stock market was a broad scattering of strength in key issues. Steels were particular favorites.

The Canadian steel industry has been making a consistently better showing than the U.S. industry through the general business setback.

Here's how some stocks of steel and steel products firms have moved.

	Latest Price $	End Feb. $	1957-58 High $	1957-58 Low $
Atlas Steels	17	16	29¾	15½
Algoma	24¾	23	40½	21¼
Dominion Foundries	26⅞	25½	33½	22⅜
Steel Co. of Can.	52½	47½	73¼	43¾
Dominion Steel	20	19½	32½	16¾
Canadian Vickers	25	21	32½	20
Page-Hersey Tubes	118	116	143	91

* * *

THE STREET IS TALKING ABOUT — the ability of Canadian industrial stocks to resist slides on Wall Street. U.S. issues sag sharply following a series of rises but Canadian stocks are down only mildly. Major reason, says analysts, is greater severity of economic slump in U.S.

Davis Leather A is a bright spot in climbing from $7½ at the end of February to $10½ as company announces a capital reorganization to eliminate arrears. Class A holders will receive one $20 4% 15-year debenture and one-half common share for each share held.

Dominion Glass pushes ahead to a new high of $64⅞ for the year for a gain of $3⅞ from a recent $61. This issue has been a strong spot throughout the past year, coming up from a low of $51.

* * *

Trans Mountain hits $50¾ but settles back to $47½, still up from around $42 at the end of February with latest reports indicating some slight improvement in expected deliveries. The line expects to handle 100,000 bbl. daily in March, up from 95,166 bbl. for February.

Finance company shares attract some interest as lower interest rates mean cheaper money for these firms. Also, they are considered defensive issues offering considerable safety of dividends. **Industrial Acceptance** bumps ahead to $30½ from around $27½ and the **warrants** surge to $8.25 from $7. **Traders Finance A** at $37¼ is ahead from $35½.

Newsprint stocks tend easier as earnings reports appear showing lower profits and business runs about 16% below last year. One factor assisting these companies is the lower exchange rate on the Canadian dollar. **Price Bros.** reports 1957 net down at $2.91 a share from $4.02 and the stock at $39 compares with a recent $42½. **International Paper** at $86 is down from $87¼.

* * *

OTHER MARKETS — over-the-counter trade continues quiet with prices in a two-way movement. **Manufacturers Life** edges ahead to $240 for a gain of $10 as traders feel mutualization arrangements are assured.

Loblaw warrants flip up to $7½ from $5¾-$6¼ as buying appears from the U.S. **Thorncliffe Park** slips to $6-$6½ from recent $7 reached in a strong advance. **Algoma Central** continues weakening after a climb. At $23¾-$24¾, it is off from $25¼.

Pipelines tend slightly easier. **Alberta Gas** at $15¼-$15¾ bucks the trend as it rises fractionally. **Westcoast Transmission** at $22½-$23, compares with $23¼-$24, **Trans-Canada** units at $146-$147 ease from $147-$149 and **Quebec Natural Gas** units slip $1 at $136-$138.

Great West Saddlery Co. Majority Interest Sold

Majority interest in **Great West Saddlery Co.,** Winnipeg, has been bought by a group headed by Hugh Paton and D. Hubert Cox of Toronto.

Price was more than $500,000, on the basis of $15 per share for an undisclosed number of the 39,871 outstanding npv common shares.

Vendor was retiring president and general manager R. A. Adams. No offer to the approximately 400 minority shareholders is planned.

Stock traded at $13 per share on Toronto Stock Exchange this week.

Mr. Paton has been named president and Mr. Cox vice-president and treasurer. Secretary J. S. Henderson has been appointed general manager.

Founded in 1869 and incorporated under the present name in 1899, Great West Saddlery is a wholesale distributor of general store and department store merchandise chiefly in the four western provinces.

Assets were valued at $2,970,311 at Dec. 31, 1956. Working capital stood at $1,004,655. There is no funded debt.

Company has been operating in Ontario since 1951, when it acquired the liquid assets of **Adams Bros. Harness Ltd.** and **Burlington - Windsor Blanket Co.,** both of Toronto, and **B. F. Ackerman Son & Co.,** Peterborough.

Messrs. Paton and Cox have now acquired the fixed assets of the Peterborough firm, which produces leather goods.

New owners plan to expand and modernize the range of company's store merchandise, possibly through addition of some lines of imported goods to supplement its catalogue of Canadian-made products.

They are also exploring possibility of extending operations into Quebec and the Maritimes, either through acquisition of existing firms or granting of franchises to dealers.

Sales and earnings of Great West Saddlery were "slightly off" in 1957 compared with 1956, said Mr. Paton. Exceptionally mild prairie weather in the fourth quarter reduced sales of winter clothing and equipment.

In the current year, sales are running ahead of comparable 1957 volume.

The three directors — R. A. Adams, C. V. Shaver and H. Bush of Toronto — have resigned in favor of the new owners. It is proposed to increase the size of the directorate at the annual meeting in April.

Hugh Paton, 38, is a native of Prince Edward Island. In 1948 he negotiated the purchase of **Canada Plycraft** and had its machinery and stock moved from Winnipeg to Mahone Bay, N.S., by special train. It was then incorporated into **Industrial Shipping Ltd.,** a leading producer of molded plywood outboard hulls.

Later, he was instrumental in creating **Canada Crushed & Cut Stone Ltd.** from four smaller companies.

Hubert Cox came to Canada in 1954 from England, where for 13 years he was general manager of **Regional Properties Ltd.**

In Toronto, he is an officer of **Thorncliffe Park Ltd.,** a publicly owned real estate company which has a 388-acre, $75 million integrated community under development on the site of a former Toronto racetrack.

Messrs. Paton and Cox have jointly acquired control of **Brandon Packers Ltd.,** Brandon, Man., and **Westgate Packers Ltd.,** of Port Arthur, Ont. They have interests in several other companies.

Note

By Vincent Egan

Some bond traders and professional investors are predicting some upturn in Canadian long-term bond prices, which weakened at the beginning of this week.

Reason for the prediction is that the U.S. market has been rising, without the usual corresponding increase in prices here so far. Further strength was injected into the U.S. market Tuesday when the Federal Reserve Board reduced reserve requirements of its banks from 19½% to 19% — the second drop of ½% in recent weeks.

* * *

It is thought that the forthcoming $75-million Province of **Ontario** borrowing in the U.S. will be on a yield basis of just under 4%. The issue will be divided into maturities of five years and 20 years.

* * *

The $20-million U.S. borrowing by **Edmonton** (**FP**, Feb. 22) is now confirmed by SEC registration of $2 million five-year sinking fund debentures and $18 million 25-year debentures. Terms have not yet been announced by the underwriters, the **First Boston-Dominion Securities** group.

* * *

Another major municipal underwriting is Metropolitan Toronto's $29,640,000 issue. Offered at 98.75 were $22,156,000 4¾% 20-year bonds (yield 4.85%), $1,030,000 4¾% 25-year bonds (4.84%), and $47,000 4¾% 30-year bonds (4.83%).

Placed privately were $5,873,000 one-to-10-year 4½% bonds, and $534,000 11-15 year 4½% bonds.

* * *

The buy-build-sell-lease method of handling real estate acquisitions has grown sharply in popularity during recent years, particularly among retailing chains.

Now there are suggestions that **Newfoundland** may have a new building constructed to house provincial government offices, then sell it to a financial institution which would lease it back to the province. Province has been renting space from the federal government.

* * *

Coming shortly is a debt offering in excess of $6 million of **United Gas Ltd.,** a subsidiary of **United Fuel Investments Ltd.,** on a yield basis of about 5¼%. Proceeds will be used for expansion of company's facilities in Hamilton, Ont. . . . A $7.5-million issue of **Producers Pipelines Ltd.,** which carries oil from the Steelman field to Interprovincial Pipe Line, yielding about 5½%, is rumored . . . Long awaited, the offering of **Stanleigh Uranium Mining's** $6-million issue of 6½% debentures of 1964 now is believed to be imminent. Price is said to be 95, with a stock bonus of 150 common shares per $1,000 bond.

* * *

Current offerings in the municipal field include $750,000 County of **Peel** 4¾% and 5% bonds. One-to-10-year maturities are priced to yield 4.75%, and 11-to-20-year bonds 4.80% . . . **Saskatoon School Districts** has issued $700,000 one-to-20-year 5% bonds. The 11-20-year maturities are being offered to yield 5.05%.

* * *

Initial financing by **Finance Development Corp.** is now under way in Quebec, with 50,000 shares, par $9, being offered at $11.50. Each share bears one warrant to buy an additional share at $11.50 until 1963.

Company plans to help small and medium-size businesses to obtain financing.

* * *

Directors of **Davis Leather Co.,** Newmarket, Ont., have proposed a capital reorganization. If approved April 3, each of the outstanding 100,000 npv Class A $1.50 preferred shares will be exchanged for a $20 4% 15-year debenture and one half share of new common stock. Each Class B npv share would be exchanged for one new common.

Recent market price of Class A shares is $10½, and Class B $3.

Net profit was $95,193 in 1957, compared with a 1956 loss of $323,315. Dividends on Class A stock were $5.25 per share in arrears at year-end.

* * *

New issues this year by **British Columbia Telephone Co.** may total $30 million, according to President Gordon Farrell. Capital expenditures for 1958 will total some $50 million.

When you wish to secure a good income from sound corporation bonds and shares; consult us . . . our services are readily available.

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ANNOUNCEMENT

SIFTO SALT APPOINTMENT

W. R. LAWSON

Mr. W. R. Spence, Vice-President, Sifto Salt Limited, has announced the appointment of Walter R. Lawson as General Manager of the Company. Since 1945 Mr. Lawson has held engineering, sales and administration positions in a number of Dominion Tar & Chemical Co. Ltd. subsidiaries. Most recently he was assistant General Manager of Sifto Salt Limited, a post he has held since 1954.

Newsprint's Big Question: When Will Upturn Start?

MONTREAL (Staff) — The newsprint downtrend persists.

It would take a general business upturn to send advertising and paper use climbing again, industry men believe.

Few in the industry, however, see anything but modest moderation of the lower profit, shaded sales trend evident in the recent rash of pulp and paper company annual reports. Their optimism for long-run growth remains unshaken.

Latest figures fully outline the present trend, which was masked in full-year-'57 figures by buoyant business in the early part of the year.

For the first two months of this year:

Canadian newsprint output slipped 9.8% to 972,074 tons from 1,077,493 in January-February last year.

The February decline was 8.7% the January 10.8%.

Canadian mills in February worked at 86.1% of capacity compared with 99.7% last year, 83.8% in January. The production ratio, first two months, is 84.9% compared with 100 last year.

U.S. Market Vital

With Canada heavily dependent upon exports of newsprint to bolster its huge pulp and paper industry, U.S. consumption is vital.

The U.S. used in the first two months 1,000,764 tons, down 5.6% from 1,059,684 last year. The drop for February was 5.8%.

Canadian shipments south of the border were off 8% in the two months to 776,096 tons.

In the same period, shipments to Canadian consumer were off 16.2% to 64,535 tons.

Exports (other than to U.S.) dropped 33.5% to 69,320 tons.

Total shipments were 909,951 tons compared with 1,024,448 last year — down 11.2%.

The sharp decline in overseas shipments would be particularly disturbing if carried through the whole year.

But wintertime sales in this category are often erratic. They are little guide to expectations for the summer shipping season. There's hope that overseas exports will firm up in coming months.

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INTERNATIONAL UTILITIES CORP. Feb. 28 had 2,443,086 common shares outstanding.

As principals we offer subject to prior sale:

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CANADIAN NATIONAL RAILWAY COMPANY

4% Bonds due February 1, 1981

(Guaranteed fully by the Government of Canada)

PRICE: 97¾ and accrued interest

YIELD: Approximately 4.15%

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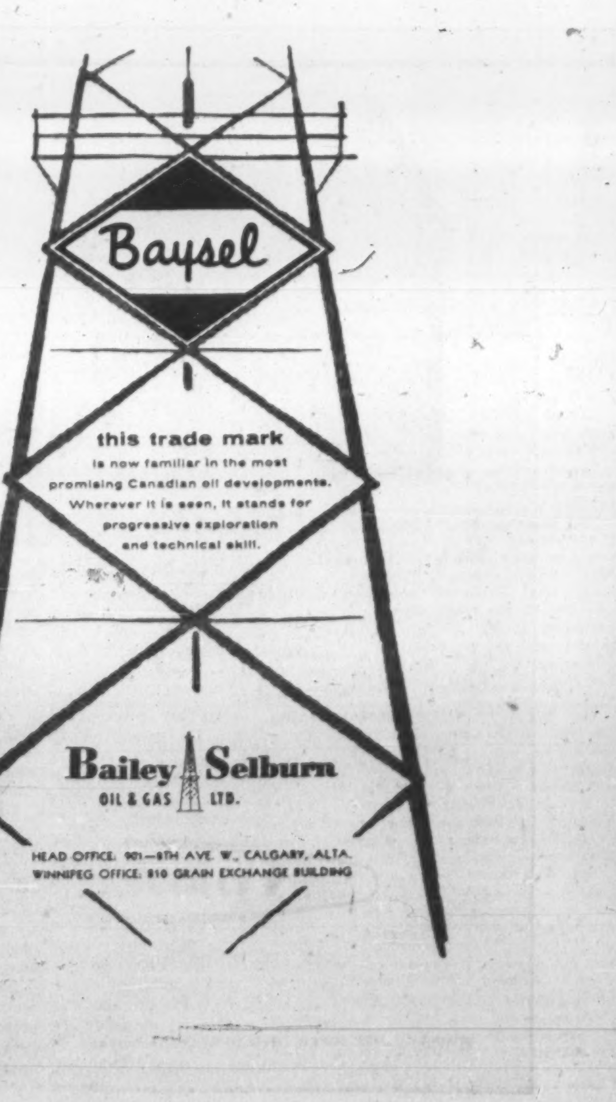

Newfoundland Considering Leasebacks on New Offices?

MONTREAL (Staff) — Province of Newfoundland is considering a construction-and-lease-back deal on a new $5-million to $8-million government office building, **FP** understands.

Final decisions have not yet been made, it is understood.

One opinion is that Newfoundland won't have to bother either with new financing or leaseback for a new building as it gets fatter grants from the federal government.

Present situation is that many provincial government offices are in scattered federally-owned locations and are rented from the federal government. The province would like to bring them together in one spot.

To this end it has been probing the possibility of building, selling, then leasing back a new building in St. John's.

Net direct and indirect funded debt at last report was $53.6 million or $128 per capita.

Where $3.7 Billion Was Spent

Net New Issues of Corporate Bonds and Stocks
Industrial Classification*
(millions of dollars)

	1957	1956	1955
Uranium mines	63	123	68
Other mining and mine products	200	211	227
Petroleum and products	176	201	164
Wood, paper and products	46	127	–39
Other manufactured products	44	76	33
Pipelines	266	137	9
Telephones	162	145	80
Other utilities	289*	94*	28*
Merchandisers	30	58	53
Installment finance and small loan companies	75	160	26
Other finance, insurance and real estate	107	148	107
Other	2	22	19
Total	1,460	1,502	775

*Does not include issues guaranteed by provincial governments (e.g. issues of provincial hydro commissions which amounted to $120 million in 1955, $261 million in 1956 and $304 million in 1957).
Source: Bank of Canada.

BIG PROGRAM AHEAD By PAUL S. DEACON

Steam Out of Bond Prices?

Capital Needs May Slow Gains in Bonds, Pfd. Stocks

"If an early readjustment of the Canadian economy to a lower level of capital investment, i.e., to a lower rate of growth, is not desired, the continuance of a high rate of growth (higher than that in the outside world) requires a sound money policy and an interest rate structure which will encourage both a high level of domestic saving and a sufficient inflow of outside capital to make up whatever deficiency remains."

This excerpt from the newly published annual report of the Governor of the Bank of Canada has particular interest for investors.

- **For bond buyers,** it suggests that the sharp decline in interest rates which has boosted bond prices in recent months, may be expected to taper off.
- **For stock buyers,** it may mean that recovery of stock prices, for reasons of yield anyway, will be relatively slow.

Interest rates are just about the sole determinant of price in the government bond market. Their importance declines as you move into other types of bonds — provincial, municipal and corporate — where credit ratings and local conditions begin to have greater effect on the investor's willingness or unwillingness to buy.

Stock Yields Sway Prices

Stocks are even more loosely tied to the interest rate structure, over the short term at least. Earnings rather than actual dividend payments often take on a more active role in influencing market prices. And general confidence regarding business and stock market prospects can outweigh both yield and earnings considerations.

Nevertheless, there are many stocks that investors buy largely for the dividends they will receive. Most preferred stocks fall in this category. Many public utility common stocks (e.g. **Bell Telephone**) and industrial stocks with relatively stable earnings and dividend patterns, are priced on this basis.

All stocks were influenced by the rise in interest rates from 1955 to 1957 — even growth stocks. Much of the initial drop in stock prices in 1957 could be attributed to investor demand for yields more in keeping with the rising yields on bonds and mortgages.

More recently, the decline in interest rates has helped support prices of some stocks which might have been depressed by general uncertainty about business and profits.

Bank Governor Coyne doesn't say that present interest rates have gone as low as they should. He merely says they should be kept high enough to maintain domestic saving and foreign capital inflows at a healthy level.

For instance, we can't have low rates when U.S. rates are high if we want investors here and in the U.S. to put up the money needed for Canadian projects.

Big Borrowing Will Up Rates

Investors will invest money here at interest rates much below those available in some countries, because they like our growth possibilities, our type of government, etc. But there are limits to their enthusiasm. They keep their eyes on conditions outside the country, and the relative risks and rewards here and abroad.

The survey of capital investment intentions for 1958 (**FP**, March 15) indicates that very large sums must be raised this year if the program is carried through. This will tend to hold interest rates up.

Biggest factor in the borrowing picture will be the federal government. Not only will money be needed for refunding existing debt, but the excess of expenditures over revenues in the coming year may reach $1 billion.

Provincial and municipal borrowing is also expected to be at a high level. The only decline of any significance would appear to be in the corporate sector.

Net new issues of bonds and stocks by corporations have been running well ahead of the combined net new bond issues of the provinces and the municipalities.

Here are the totals for the past three years:

	Net New Issues 1957	1956	1955
	——	$ million	——
Provincial	510	539	211
Municipal	235	207	210
Total	745	746	421
Corporate (bds. & stks.)	1,460	1,502	775

Even with some drop in prospect in money needs of corporations, the requirements are likely to be fairly large, judging from the capital intentions figures.

The mineral group—a big factor in the past three years—will probably need less, and so will the forest product group. But spending plans of the remaining business groups are down only 5% compared with a 39% in the forest and mineral group, the Department of Trade & Commerce found.

With this kind of a program ahead, the prospect for further large declines in interest rates on longer term bond issues appears doubtful. It explains why there has been some hesitancy in the long end of the market recently, dealers say.

On short term issues, interest rates have continued to fall. But in terms of price, this has much less effect than a similar drop in long-term interest rates.

The trend in bond prices is probably still up. U.S. prices are still headed that way. But there's increasing sentiment in the investment community that the capital gain opportunities from here may not be great.

Suez Canal Co. Plans Here Hinge on Talks in Egypt

Possibility of stepped-up investment activities of the **Suez Canal Co.** in Canada hinges on the outcome of current negotiations with representatives of the Egyptian government, **FP** understands.

The 100-year-old firm, which is in the process of turning itself into an investment company, recently purchased 250,000 shares of **British Newfoundland Corp.** for $1¼ million (**FP**, March 15).

It also holds other Canadian securities in its portfolio.

M. Jacques Georges-Picot, chairman and managing director, told **FP** in a transAtlantic telephone call this week that company representatives are resuming talks with Egyptian representatives and that a report on results of the talks will probably be given at the company's annual meeting in Paris April 21.

He declined to speculate on what course future investment plans in Canada or elsewhere might take until the Egyptian situation was clearer.

Company claims that its right to compensation was established by the 18 Powers who signed the statement issued by the London Conference at Lancaster House following Egyptian seizure of the canal.

Its assets in Egypt at last report were valued at £76,397,000, its assets outside Egypt at £69,798,000 less £27 million liabilities.

Comb. Enterprises Net $1.91 a Share

Net profit for 1957 of **Combined Enterprises Ltd.** was $1,147,100 or $1.91 a share. This was 2.9% lower than 1956 net of $1,181,797 or $1.97 per share.

Working capital stood at $5,342,375 at Dec. 31, 1957, up from $4,730,106 a year earlier.

Figures from preliminary report were incorrectly reported in **FP**, March 15.

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A regular listing of latest studies by investment firms.

GYPSUM, LIME & ALABASTINE LTD. — James Richardson & Sons, 173 Portage Ave. E., Winnipeg.
INVESTING FOR PROFIT IN '58 — G. W. Nicholson & Co., 67 Richmond St. W., Toronto.
CANADIAN HYDROCARBONS LTD.—F. H. Deacon & Co., 197 Bay St., Toronto.
CANADIAN VICKERS LTD. — J. P. Cannon & Co., 372 Bay St., Toronto.
CANADIAN CONVERTIBLE DEBENTURES — Midland Securities Corp., 50 King St. W., Toronto.
ASBESTOS STOCKS — Bongard & Co., 25 Adelaide St. W., Toronto.
SWITCHING COMMON STOCKS — Jackson, McFadyen Securities Ltd., 25 King St. W., Toronto.
A. V. ROE CANADA—J. P. Cannon & Co.
STEEL CO. OF CANADA — Ross, Knowles & Co., 25 Adelaide St. W., Toronto.
CENTRAL-DEL RIO OILS — Merrill Lynch, Pierce, Fenner & Smith, 11 Adelaide St. W., Toronto.
MACMILLAN & BLOEDEL LTD. — Merrill Lynch, Pierce, Fenner & Smith.

Finance Development Corp. Shares Offered at $11.50

MONTREAL (Staff) — An issue of 50,000 common shares ($9 par), with warrants, of **Corp. d'Expansion Financière (Finance Development Corp.),** is being offered by a syndicate headed by **La Maison Bienvenu Ltée** at $11.50 per share.

The issue comprises initial financing of the company, formed to help small and medium-sized businesses secure financing (**FP**, Feb. 8).

Warrants, detachable and in bearer form, entitle holders to buy one additional common share at $11.50 to Aug. 1, 1963, for each share held.

Authorized capitalization comprises 400,000 ($9 par) shares, 75,000 special shares and 325,000 common. Special shares are entitled to five votes each and their negotiability is restricted. Common shares are entitled to one vote each and carry the same rights as special shares in regard to profits and dividends.

Company has issued 6,000 special shares to **Simel Inc.,** a recently formed holding company, at $12.50 per share. Each of these special shares carries warrants to purchase one special share at $12.50 and two common shares at $11.50.

In addition, Corp. D'Expansion is now offering to various financial institutions 14,000 special shares at $12.50 per share. These carry warrants to buy one special share at $12.50 and one common share at $11.50.

Before Aug. 28, 1958, company expects to offer a further 50,000 common shares at a price not less than $11.50. These will carry warrants for purchase of one common share at $11.50.

Simel Inc. has authorized capitalization of 50 non-transferrable common shares ($1 par) and 9,995 participating non-voting shares ($10 par). Each director of Corp. D'Expansion is required to subscribe for one voting share of Simel and may subscribe for participating shares.

Holders of special shares of Corp. D'Expansion wishing to dispose of their holdings must first offer them to other special shareholders at the current market price of the common shares.

Objects of Corp. D'Expansion include:

—To secure, for enterprises having required guarantees but not wishing to go to market, permanent funds required for their development or financial consolidation.

—To render client companies various economic services through general counsel or specialized services.

—To assist in the conversion of family enterprises into joint stock corporations.

—To secure for client companies all other services which may facilitate their participation in the industrial and commercial development of Canada and particularly of Quebec.

Company has recently acquired office space in Montreal. It expects to start operations within the next few months.

Canadian Western Natural Gas $4.5 Million Bond Issue Sold

A new issue of $4.5 million **Canadian Western Natural Gas Co.** 5⅜% first mortgage sinking fund bonds has been sold by a syndicate headed by **Wood, Gundy & Co.** and **Nesbitt, Thomson & Co.**

Maturing April 1, 1983, bonds were priced at 99½ to yield 5.41%. A sinking fund will retire 53% of the issue before maturity. Bonds are non-callable for the first five years.

Incorporated in 1911, company distributes gas in Calgary, Lethbridge and 49 other southern Alberta communities.

Proceeds of this issue, together with retained earnings, provision for depreciation, and proceeds of a $4 million preferred stock issue alread sold (**FP**, Feb. 8), will be applied to expansion program.

Capital expenditures in 1958 are estimated at $12,154,160, including major part of a $10 million project to develop and connect an additional source of supply in the Carbon field, to company's major transmission system.

In 1957, net earnings were $1,141,645 after provision for depreciation of $885,511. This was 8.2% lower than 1956's $1,243,099 after $717,095 depreciation.

Funded debt includes $6,334,000 3½% first mortgage sinking fund bonds, Series A, due April 1, 1971; $7 million 5¾% first mortgage sinking fund bonds, Series B, due Feb. 1, 1982; and $4.5 million 5⅜% first mortgage sinking fund bonds, Series C, due April 1, 1983.

Outstanding equity capitalization includes $5,508,200 cumulative redeemable 4% preferred stock, par $20; $4 million cumulative redeemable 5½% preferred stock, par $20; and 800,000 npv ordinary shares.

John Wood Cuts Dividend

Dividend on Class A and B stock of **John Wood Industries Ltd.** payable April 1 will be 40c per share. Record date is March 21.

Quarterly dividends had been paid at the rate of 50c per share between July 3, 1956 and Jan. 2, 1958.

The reduction was made to reflect a more conservative policy, adopted in view of current business conditions in the U.S., **FP** is informed. A major part of company's operations are in the U.S.

Annual report for 1957, to be issued shortly, will show lower earnings than in 1956.

Company normally pays out a relatively small portion of its earnings. Here is a record of dividend payments and earnings per share in recent years:

	Dividends $	Profits Cl. A & B $
1956	1.90	6.06
1955	2.00	7.42
1954	1.60	5.28
1953	2.00	4.49
1952	2.10	3.85
1951	2.60	5.62

Southern Canada 1958 Net Up

MONTREAL (Staff)—**Southern Canada Power Co.** net profit was $345,926 in first two months of 1958, up 0.6% from same period in 1957.

For February alone, net profit of $173,900 was down 4.6% from February, 1957.

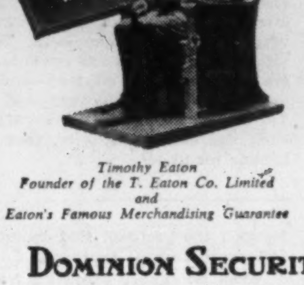
Here are comparative two-month figures.

Two Months Ended Feb. 28:	1958	1957
Gross earnings	$2,053,525	$1,920,410
Expenses	1,367,709	1,235,842
Taxes	339,890	340,693
Net profit	345,926	343,875

T. EATON REALTY COMPANY, LIMITED

5% First Mortgage Sinking Fund Bonds
Series 2, 1956 Trust Deed
To mature April 1, 1978

PRICE: at the market to yield approximately 5.00%



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Dividend Changes

HUDSON'S BAY — Ordinary, 16% plus 1¼%, payable May 13 to holders of record April 12. Total payable to date in 1958, 16% plus 1¼%; total paid to same date in 1957, 11% plus 1¼%; total paid in 1957, 15% plus 2½%. Recent price: $21 bid; $21¾ ask.

PACIFIC COAST TERMINALS — Common, 50c plus $1.25, payable April 15 to holders of record April 1; ex-dividend March 28. Total payable to date in 1958, 50c plus $1.25; total paid to same date in 1957, 50c plus $1.00; total paid in 1957, $1.00 plus $2.00. Recent price: $35.

PHILLIPS ELECTRIC — Dividend deferred on capital. The company had paid 12½c on Dec. 31, 1957. Normal operations in 1957 produced a favorable balance. However, special losses due to fluctuations in inventory values and nonrecurring expenditures caused by the company's expansion program resulted in a loss for the year. Recent price: $9 bid; $10 ask.

JOHN WOOD INDUSTRIES — Class A and Class B common, 40c payable April 1 to holders of record March 21. Total paid or payable to date in 1958, 90c; total paid to same date in 1957, $1; total paid in 1957, $2.00. Recent price: Class A, $29¾.

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Dosco Hopes Exports to Aid Steel Business

MONTREAL (Staff) — Steady operation at around 68-72% of capacity until at least August is expected at **Dominion Steel and Coal Corp.'s** Sydney, N.S., mill.

Company is working hard for a number of large export orders. It hopes some success in this direction — plus a general business upturn — will maintain or increase the present production ratio in the fall.

About 4,300 are employed at the big basic steel plant, the only one in the Atlantic Provinces. Its annual capacity is about one million ingot tons.

In common with other Canadian basic steelmakers, it has maintained a higher operating ratio than the U.S. steel industry.

Leverage Fund Share Value Up

MONTREAL (Staff) — **Leverage Fund of Canada Ltd.** total net assets Jan. 31, 1958, amounted to $1,693,163, compared with $1,698,050 Oct. 31, 1957.

Net asset value per share increased to $4.40 compared with $4.20.

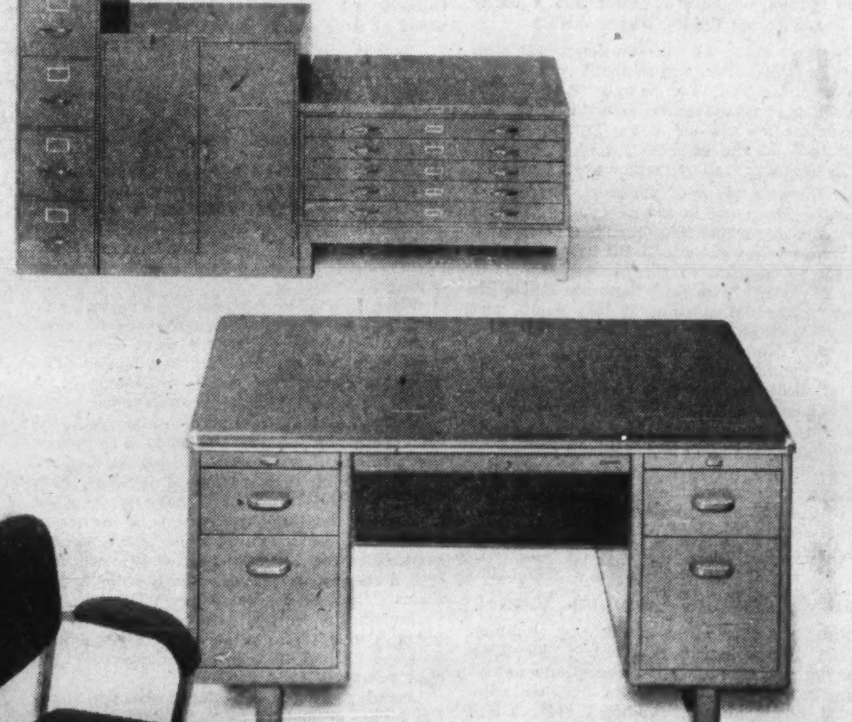
Fund sold common stock in two companies. It received stock dividends in two companies and new shares through a stock split in another company.

Here are the changes in the portfolio during the quarter:

	Shares held Jan. 31	Chge. since Oct. 31
Canada Iron	1,000	—500
Inter. Nickel	1,100	—500
Monsanto Chemical	795	+15*
U. S. Rubber	520	+10†

*Received stock dividend of 15 shares.
†Received stock dividend of 10 shares.

There is a vibrant harmony in modern steel office furniture that seems to reflect and enhance the smooth efficiency of any office.



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Less Loafing Now

During 1956 and the early part of 1957, a bank in the eastern United States had a personnel problem so acute that a special committee was set up to try to solve it. The problem: a rapid increase in absenteeism and unpunctuality, which was causing a rise in operating costs. Towards the end of 1957 and the beginning of 1958, this situation began to clear up—even though the committee had taken no action. During the great snowstorms in February, bank officials were astonished to find that the number of employees who failed to report for work was negligible.

The difference in performance was explained by one circumstance: in 1956-57 employees who were late or frequently absent knew the bank would have a hard time replacing them. They knew, also, that if they lost one job they could step into another without delay. In 1958 they weren't really so sure—so they get to work, on time.

This isn't an argument in favor of unemployment. It does suggest that the levels of demand for labor reached during the peak of the '56 inflation were so high that many people felt it unnecessary to co-operate. The same reasoning can be applied to some businessmen, who didn't feel it necessary to keep in touch with the needs and wants of their customers. A lot of people were "spoiled" by prosperity.

If all the jobs promised by all the politicians in this election campaign were actually forthcoming, we'd soon be back in a state of over-full employment. And that is not a comfortable state, even for the employees. First, it's unstable. If we try to maintain impossibly high levels of employment, we'll always be on the verge of mass unemployment. Second, it provides few incentives and rewards for those who are prepared to be efficient—and that includes most Canadian employees and businessmen. Third, the deficiencies of the marginal few raise costs and cut productivity, thus lowering real income for us all.

Common Sense and Congress

Canadian protests against unfair and unreasonable U.S. tariffs may sometimes get results; but appeals for a liberal trade policy are bound to hit Congress harder when they come from American businessmen.

Chicago has just made a valiant effort to knock some sense into American legislators now grappling with the trade question. Its Association of Commerce and Industry, which functions as the chamber of commerce for the Chicago metropolitan area, has registered strong support of the bill extending the Reciprocal Trade Act for five years.

Its brief to Congress singles out "our best customer, Canada," for special mention. Canada is a partner of the U.S. in defense, the brief points out, and "has not been, of course, a recipient of any foreign aid by the U.S. but rather has consistently bought more from us than we have of its products."

Quoting figures to show that the trade balance favors the U.S. by more than $1 billion a year, the Chicago business group goes on to say: "Our foreign economic policy regarding Canada should receive special attention. Restrictions on the imports of oil and other basic materials from that country on the grounds of national defense are difficult to understand."

Chicago does more business with Canada, export and import, than any other American city. Last year its business leaders broke new ground by setting up a Canadian-American trade committee. Their chamber of commerce is now the first in the U.S. to spell out for Congressmen Canada's commercial value and importance to Americans. More power to them. Congress and the U.S. public both need education in the commercial facts of life.

What Tolls for the Welland ?

In working out tolls for the St. Lawrence Seaway, a special problem arises in the case of what are mainly local users of the Welland Canal. For over half a century this all-Canadian waterway around Niagara Falls has been free, and much Great Lakes industry has been built up on the basis of free passages for both raw materials and finished goods. Such industry is very much in the same position as that of the farmer who finds his perfectly satisfactory country road suddenly changed into a costly six-lane highway linking distant points.

In many cases, as with the important steel industry at Hamilton and Sault Ste. Marie, the opening of the St. Lawrence to ocean traffic will make little or no difference, as virtually all raw materials come via the Great Lakes and the great bulk of the markets for finished goods lies in the same area or further west.

As Stuart Armour of the Steel Company of Canada pointed out in a recent address, these users who ship millions of tons of cargo through the Welland "did not ask that it be deepened to 27 feet to conform to the Seaway Standard. They have been", he said, "and are still quite content with the existing 25-foot depth, and they have built their ships to conform to it. Thus they cannot see why they and their customers should now be expected to bear the cost of providing a deeper channel for which they did not ask, and which will not be of any service to them."

This is a good point and it should get special consideration in this highly complicated business of fixing fair tolls for the Seaway. Fortunately the Welland Canal is strictly a Canadian undertaking, which should be of some advantage in arriving at a sensible settlement.

Canada and the Common Market

Final and total effect of Europe's "common market" on Commonwealth trade, including Canadian trade, is of course incalculable at this stage; first tariff cuts by nations included in the market are not due until January 1, 1959. There have been, however, some recent indications that Canada should keep a close watch on the project.

The six countries in the common market, France, West Germany, Italy and the Benelux group, are to have free trade among themselves (by gradual stages over 12 to 15 years) and a common customs tariff against the rest of the world. If, as is now suggested, their overseas possessions are to be included in the European Economic Community or EEC, to give the market its official name, other non-European suppliers could be affected: Ghana, for instance, which sells $60 million worth of cocoa to "the six" every year.

Canada's concern arises chiefly from Britain's intention to join the "free trade area" that will be associated with EEC. Nations in this area, on the periphery of EEC, will have free trade with "the six" but reserve the right to fix and vary their tariffs against other countries. Britain, with a view to maintaining Commonwealth preferences, has up till now insisted that farm products be excluded from the free-trade agreement.

But recent reports indicate some unwillingness, among the continental partners, to admit unhampered British competition within EEC on terms short of outright British membership. There have been objections from French, Dutch and Italian producers; and France recently put forward the proposal that inauguration of the free trade area be postponed for six years.

Even temporary exclusion from the advantages of EEC could be a blow to British traders. An official West German news report suggests that Britain wants the European market "at all costs." For this reason, the report goes on, the British Government "is no longer insisting on the complete exclusion of agriculture" from the free trade arrangements and "might even be willing to suggest that the Commonwealth, too, should be included in the free trade area."

This is speculation by a European writer, not a policy statement from London. The point for Canada to note is that Britain does indeed need access to the EEC market and, to get it, may be drawn into concessions which would have important effects on Canada's external trade.

No Longer Useful

There is one ancient British institution that survives in Ontario and the Maritimes though it has perished in Britain itself and everywhere else in the Commonwealth.

It is the Grand Jury, consisting of twelve men and a foreman chosen for special competence from the whole roster of jurors available at a court session. The two jobs of the Grand Jury are to inspect jails and to decide if there is enough evidence to warrant the trial of accused persons committed by magistrates.

It is not often that public functionaries ask for the abolition of their functions; but the Grand Jury of York county that sat in Toronto this month did just that. In a unanimous report to the bench, its members say that the Grand Jury now has nothing useful to do and no longer protects the citizen against injustice.

Jails are nowadays inspected regularly by experts. Grand Jury hearings, far from helping the accused, merely give the prosecution (and not the defense) a useful dry run. Only the case against the prisoner is presented. Defense counsel and witnesses are not present.

Thus the Grand Jury has become a rubber-stamp for the Crown and only delays justice. On the rare occasions when it returns a "no bill" (only one at the recent Toronto sitting against 50 "true bills"), it has discovered a flaw which would be detected at once by a judge.

The York county grand jurors sat for a week and cost the public treasury a tidy sum in fees. Since the same procedure is followed in every Ontario and Maritime county, the aggregate waste of time and money is very considerable.

With all due respect to antiquities, the Grand Jury should be allowed to expire. It will be no loss.

Big Tourist Year Ahead

Anyone who has anything to do with the tourist business should not be too ready to assume that the highly-publicized gloom of the winter will affect the tourist season this summer. There are reasons to believe that the leisure business will boom this summer as never before.

First, by midsummer, even the normal seasonal upturn will produce sensations of relief in many North Americans who have been over-reacting to the recession talk this winter. The urge to get away from it all and relax will be pretty strong.

Second, savings, both here and in the United States, are pretty high—high enough to finance the holidays that families are accustomed to.

Third, a high proportion of families, both here and in the United States, have now reached the stage (school-age or grown children) where a long motor-trip can be undertaken without carrying so much special gear (bottle-warmer, crib, diaper pail) that the expedition looks like a safari through darkest Africa.

Fourth, the temptation to work through the holidays in order to make a few extra dollars will be less than it's been for years—in fact the opportunity may not arise.

Finally, many more Europeans will have the dollars needed to see North America.

All this suggests that the tourist business may be a very bright spot in the Canadian economy within the next few months.

British Columbia's Birthday

British Columbia is celebrating its hundreth official birthday this year. This is the official date because there were really several dates, some earlier, some later, from which a choice would have been made.

The original colony of Vancouver Island was established in 1849, the colony of Queen Charlottes in 1853, the mainland colony of British Columbia in 1858 and the colony of the Stickeen Territory in 1862.

From that list of dates the provincial government has chosen the one that marked the centennial of the colony which later gave its name to the whole province.

But whether its real age is 109 years or 96, there's no doubt about the growth of British Columbia. From a few scattered fur trading centres along the coast a century ago, and cut off entirely by wilderness, it has become Canada's third largest province in both population and industry. Today one Canadian in every 12 lives in B.C.

In this issue on pages 49-68 The Financial Post presents a special report on British Columbia.

Napier Moore's Scratch Pad

IT WOULD NOT BE DISCREET to reveal his identity, but I met a fascinating man the other evening. He is a walking encyclopaedia on the subject of dictators and revolutions in South and Central America.

A quiet, soft-spoken Englishman, he has spent many years in various Latin-American countries. His job has been that of watching the interests of certain British and U.S. firms which have big investments there.

He said that every dictator knows full well that he can only stay in power for a few years, that he is bound to be chucked out, and that in the time he is in office it is his unbounded duty to himself and his henchmen to clean up as much as he can and provide for luxurious exile.

He said that the pretty well-established rake-off figure was 10%. Ten percent of a country's revenue; 10% on contracts. Ministers sometimes are rewarded by being permitted to accept a cut on contracts made under their departmental jurisdiction — in such matters as the erection of schools, hospitals and public works. Inducements are not negotiated directly. There are approved "fixers" who make the arrangements.

My informant said that revolutions rarely arise from mass discontent; they are engineered by interests who think it is time for them to have a turn at the trough.

Dictators, he said, may be forced to flee with nothing but the shirt on their backs. But they have assiduously salted away fortunes in other countries. He personally knew one dictator who fled to the security of $200 million.

And he told of one case which happened years ago, when a deposed despot, fleeing by air, landed in Nassau for an overnight stay. Worried about his many suitcases, he prevailed upon a bank to open up and take the suitcases in. They were terribly heavy, being full of gold ingots.

• • •

ALL OF WHICH reminded me of another man I met in Mexico years and years ago. He was an American; agent for a large U.S. contracting firm. He told me of an experience he had had with a previous regime. Working his head off to obtain a big contract he was getting nowhere at all until it was suggested to him that he should interview the Minister. He did so. The Minister was extremely helpful. So much so that my American friend got the contract. During the negotiations not a word was said about any inducement.

Being grateful to the Minister he called on him after the contract was signed. He said to him, "Mr. Minister, I have taken the liberty of expressing my firm's appreciation of your assistance. If you'll be good enough to step to the window, you will see it." Parked below the window was a brand-new, glistening limousine.

The Minister gazed at it. Then he said, "This is most kind, but, of course, it would be most improper to accept a gift of any kind, particularly one of such magnificence."

The American was nonplussed. "But," said the Minister, "I'll tell you what I will do. I will buy it from you. What would you consider to be a fair price?"

"How about five pesos?" said the American.

The Minister smiled, produced a 10 pesos (about 80 cents) note and handed it over. The American took out his wallet, found he had no small notes, and said, "I'm terribly sorry, but I haven't the five pesos change."

"That's all right," said the Minister. "With it you can buy for me another car."

• • •

IN NASSAU, the Red Cross Fair is one of the biggest events of the year. Held in the grounds of Government House, it raises an astonishing amount of money for so small a community — as much as $25,000.

This year a highly-profitable side-show was a Man Eating Fish. Big crowds paid sixpence to see the exhibit. It turned out to be a man sitting at a table eating a plate of fish.

• • •

ENGLISH NEWSPAPERS have announced that some time this year British Railways will demonstrate radio telephones on long-distance express trains whizzing through the north-east region.

Back in 1930 Canadian National Railways introduced the radio telephone on its new fast train between Toronto and Montreal.

Along with a flock of Canadian and U.S. press men I was on the inaugural run of that six-hour flyer. One by one we were invited to put in a call to any point we pleased. My turn came near Cornwall. I got through to my Toronto home and was heard quite clearly by my wife. Next turn was that of an American correspondent. He called his wife too — in San Francisco.

It was all very wonderful, but it didn't last long. The service was too expensive to maintain.

Stop Me, If—

The new minister had asked Eph to lead in prayer. It was Eph's first experience of the sort. Twenty minutes passed, and he was still praying. The congregation became restless. Finally, from one of the deacons, came a strong "Amen." Eph looked up and exclaimed: "Thanks, deacon. That's the word I've been trying to think of ever since I started."

• • •

A teacher was giving a health talk and warned her pupils never to kiss animals or birds.

"Can you give me an instance of the dangers of this, Bobby?" she asked one boy.

"Yes, miss, my Aunt Alice used to kiss her dog."

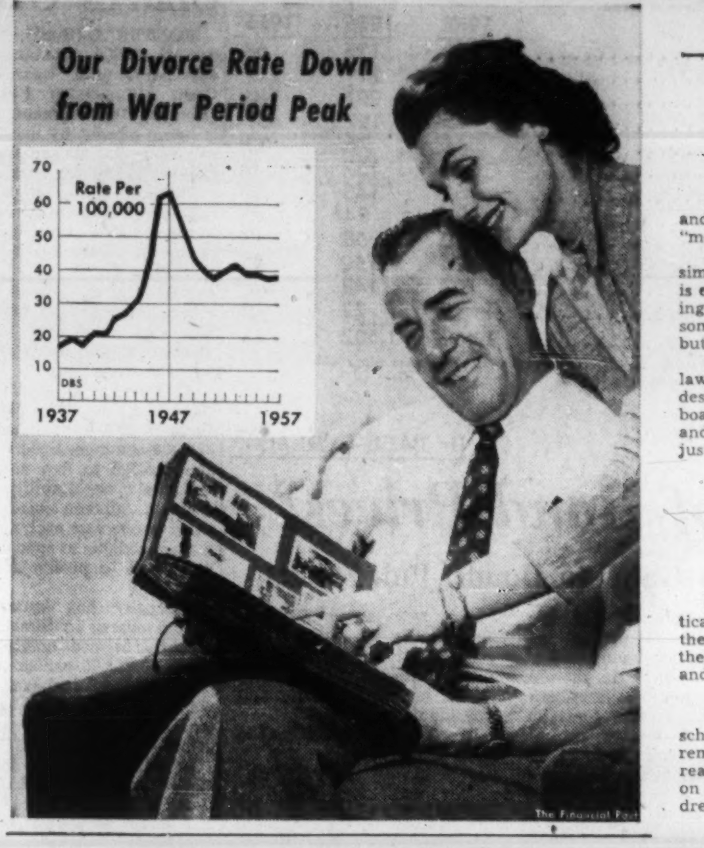
"And what happened?" asked the teacher.

"It died."

• • •

"The bravest man I ever knew?" said an explorer. "He was the man who took a taxi to the Bankruptcy Court and then invited the driver in as a creditor."

MORE FOR KEEPS

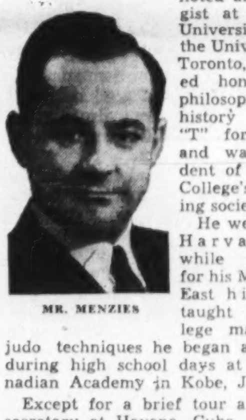


Post Scripts

Represents Canada in Malaya

This month Canada is establishing formal, on-the-spot, diplomatic relations with Malaya, newest member of the Commonwealth. And in generally hot and humid Kuala Lumpur, the capital, is Arthur Redpath Menzies, 41-year-old External Affairs department Far East expert, the first high commissioner. With him he has taken a small staff and a large number of qualifications. He speaks the language of China (nearly half of the people in Malaya are Chinese), shows an executive's flair for organization and administration, and is aware of the growing importance of Canadian relations with the area.

Menzies was born in Changte-Ho, Honan, China, son of the late Dr. James M. Menzies, former Presbyterian and United Church missionary and noted archaeologist at Cheeloo University. At the University of Toronto, he earned honours in philosophy and history and his "T" for soccer, and was president of Victoria College's debating society.



MR. MENZIES

He went on to Harvard, and while studying for his M.A. (Far East history) taught his college mates the judo techniques he began acquiring during high school days at the Canadian Academy in Kobe, Japan.

Except for a brief tour as second secretary at Havana, Cuba, in 1945-46, on the opening of that post, he has been associated entirely with Canadian Far East diplomacy. He was head of the liaison mission after the peace treaty in Tokyo, later returning to Ottawa as head of the Far East Division of External Affairs.

He is married to the former Sheila Skelton, daughter of Dr. O. D. Skelton, founder of Canada's External Affairs department, and they have two children, Kenneth and Norah.

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Fourth Generation Packer

John Seiger Whyte, a 40-year-old Stratford packing house executive has been elected president of the Meat Packers Council of Canada. He succeeds Gerald J. Willows of Saskatoon. The council, now 38 years old, serves as a co-ordinating and co-operative link between the country's livestock producers and meat processors.

MR. WHYTE

As president and general manager of the Whyte Packing Co. Whyte heads the oldest packing house in Canada controlled by the same family that started it. The company will celebrate its centennial next year.

Born in Toronto in 1917, Whyte is the fourth generation in the family business and has been actively associated with it since 1937. He was educated at Whitney public school, Toronto, and Upper Canada College, and attended the Ontario Agricultural College. At the outbreak of World War II, he joined the Perth Regiment and rose to the rank of major. He was promoted to lieutenant-colonel in 1946 and commanded the reserve battalion until 1950.

His first active role in the meat packing business was organizing company sales shortly after the war. In 1948 he was made sales manager. He became general manager in 1951 and early the following year moved into the president's office.

As Meat Packers Council president, Whyte will head the 26-man executive committee of an association which comprises 20 meat packing firms including three co-operatives. The member companies operate 41 plants across Canada, employ more than 23,000 workers and pay out some $80 million in wages annually.

Mr. Whyte believes that one important role of the Council in the coming year is to promote better understanding between the producers and packers on one hand, and the retailers and consumers and packers on the other. He believes the Council should publicize more effectively the value of meat in diet, as well as foster greater co-operation within the industry.

Married, with two sons, Mr. Whyte plays an active part in community and national service organizations.

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Ad Man Moves Up

Donald R. McRobie, 46, is the new president of Cockfield, Brown & Co. No one in the advertising field was particularly surprised when his appointment was announced. From the day in 1934 when McRobie first joined Cockfield Brown's research department he has moved steadily ahead. Advancing through all phases and departments of the big advertising agency, he was elected a director in 1947 and nine years later was named executive vice-president in charge of the Montreal office.

MR. McROBIE

Montreal-born Don McRobie was educated at Westmount High School, Lower Canada College and graduated from McGill University with a commerce degree in 1934. Always interested in athletics, he played football along with other school sports and today lists tennis, skiing and gardening as his hobbies. He served five years with the Canadian navy and ended up with the rank of commander. Married in 1936, he has four children, the eldest, 18, is now at McGill.

McRobie's extra-curricular activities are heavy. He has served for 10 years on the board of the Montreal Children's Hospital, seven of them as honorary treasurer. He is a member of the Joint Hospital Fund Committee, a past president of the Naval Officers Association and of the Lower Canada College Old Boys Association.

• • •

Importers' Head

The new president of the Canadian Importers' & Traders' Association is Douglas Alexander Johnson, manager of Charles Tennant & Co. (Canada), Toronto, owned by the Tennant Consolidated group of the U.K., one of the world's oldest manufacturers of chemicals.

The English firm started in Glasgow in 1797, making chloride of lime for the linen industry; the Canadian subsidiary, which imports and sells a wide range of industrial chemicals, began operations here in the '30s.

Douglas Johnson was born and educated at Toronto (University of Toronto Schools and U. of T.). After leaving university, he went into the jewelry manufacturing business, joined Tennant in 1941 as a salesman, becoming manager in 1954.

He has long been interested in the importers' association, having served on its committees since 1950 and on the executive committee since 1955. He was elected vice-president in 1956. Hobby: Gardening.

In 1935, Douglas Johnson married the former Mary Dunn Moorehead of Toronto. There are two children, Charles, Ottawa, and Cynthia, a student at University of Western Ontario.

What Others Are Saying

Editorial of the Week

Let's See the Trees

Ottawa Journal

In the riding of North Waterloo Conservatives and Liberals agreed to ban election posters which "mess up the scenery."

Most people, we dare say, would like to see a similar agreement in all ridings. For surely there is enough ugliness around us already without adding election signs which disfigure posts, walls, and sometimes trees, producing no effect upon anybody but resentment.

Indeed, if we had our way we would have a law prohibiting all posters, many of them horrible desecrations of the beauty of the countryside. We boast of our scenery and invite outlanders to come and see it, and then try to deface it or hide it, justifying the plaintive cry of Ogden Nash:

"I think that I shall never see
A poster lovely as a tree;
Indeed, unless the posters fall,
I'll never see a tree at all."

Other People's Views

CANADA SHOULD BE WARY about any political union with any of the West Indies, declares the **Edmonton Journal.** "Trade and tourism appear the best ways in which Canada can assist these and others of the West Indies."

• • •

WE NEED MORE PROFESSIONALISM in the schools and we need more of it in the homes, too, remarks the **Kingston Whig-Standard.** "But the real difficulty is to find a way of preventing neglect on one side or the other from injuring the children."

• • •

IT IS NOT because good speakers are not appreciated that the attendance at many meetings is small, explains the **Almonte (Ont.) Gazette.** "The trouble is that there are some 54 public or semi-public organizations in this town of 3,030. People are tired to death going to meetings."

• • •

OUR PRESENT SYSTEM of changing automobile license plates every year, declares the **Penticton (B.C.) Herald,** "is wasteful, irksome, sloppy and conducive to easy theft. It is long since time that we adopted a more practical and less expensive system, similar to those so successfully practised in most other countries."

• • •

THE CHANGE IN PUBLIC ATTITUDE toward the intellectuals is healthy, thinks the **Windsor Star.** "As never before the world needs the thinkers, planners, philosophers, researchers and scientists. They deal with fundamentals, and it is out of these fundamentals we must find the answer to our problems."

• • •

OLD AGE PENSIONERS should be able to draw their pensions no matter where they live, declares the **Moose Jaw Times-Herald.** "These pensions are theirs as of right. They have contributed to them during working years. They are payment for past services to the country. Why should the right to them be lost by leaving Canada to live in some other land?"

• • •

NEW CANADIANS are not concentrating in blocks as the names on the election lists prove, points out the **Shelburne (Ont.) Free Press and Economist.** "Almost every polling division contains a name or so which tells that New Canadians are settling throughout the area; not in groups or clans, but scattered here and there with the rest of us. It shows that these newcomers to Canada are ready to become bona fide Canadians — a part of the community itself. There does not seem to be the desire to set up little Germanys, Hollands, Polands, Frances and so on that existed among the newcomers of a generation or so ago."

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March 22, 1958.

Can We Buy Time in 'Free' Asia?

Red-Spurred China is Jumping Ahead of Pacifist India

By J. B. McGEACHY

What are the Western powers, including Canada, trying to buy with "economic aid to underdeveloped lands," meaning chiefly Southeast Asia? If it's seriously intended to set up some Asian country, India for example, as a model of prosperous free enterprise outshining what the Reds have to offer, present aid isn't nearly enough; Communist China is making faster progress. But does it make sense, anyhow, to compete with the Soviet Union in meeting Asian demands that may be reinforced with threats?

These are new questions that complicate what looked quite simple at the beginning. Eight years ago, when the Colombo plan was hatched, nothing seemed so straightforward as Canada's contribution to that worthy cause.

It was a gift from North American abundance to Asian misery. It was also enlightened selfishness because it would help Asian friends to resist Communism. Like a payment to the Community Chest, it was balm to the conscience and at the same time a preventive of discontent among the poor.

Nobody had any quarrel with it; but this unanimity, one must concede, was due to its inexpensiveness. At $35 million a year, Canada's donation amounted to about $2 for each family in the land and made no serious difference to anybody's tax load. Our American neighbors, pouring out aid in larger amounts, could not view the matter quite so blithely and casually. They had to consider, and are considering again, whether they could afford to be so generous.

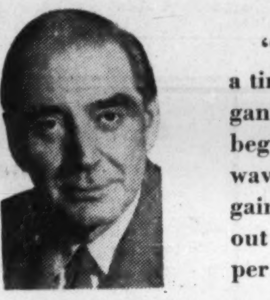
But today, for all parties to the aid program, the issue is taking a new form. Donors must still give thought to how much they can spend; but it is now equally important for them to re-appraise their aims and methods, a possibly agonizing process. There are two new or post-1950 factors in the situation. One is Russia's entry into the aid-to-Asia act in mid-1955. The other is the influence of Communist China's economic successes on Asian thinking.

Let us look first at what is happening in China. The Eastern Economist of New Delhi (a resolutely anti-Communist, English language Indian weekly modeled on its British namesake) has just published a fat, 176-page "annual number"; and it is significant that the whole issue is devoted to a comparison of progress in India and China since their contrasting revolutions: the bloodless transfer of power from Britain to India in 1947, the Chinese Communist military victory in 1949.

Chinese Statistics

The Eastern Economist quotes Chinese statistics with scepticism, justified considering that China's population was estimated not long ago by Chou En-Lai at 488 million but turned out to be 602 million when a count was taken a year later. Still, the New Delhi editor evidently accepts Chinese economic figures as roughly accurate since he uses them in elaborate tables and graphs. These show, beyond any doubt, that China is winning the race with India to be the first Asian mainland nation with enough to eat and substantial industrial strength.

Here are one or two examples. From 1949 to 1956 production of rice increased in China from 47 to 76 million tons, in India from 34 to 38 million. In the same period China's per capita steel output went up from 0.29 to seven kilograms, India's from 3.9 to 4.7. Value of total industrial output in China rose from 14 billion yuan to 55 billion. This is a hardly believable gain; but even discounting it by half it is more than India can show.



J. B. McGEACHY

"Western economic aid is a tiny trickle into Asia's gargantuan bucket and does not begin to duplicate the tidal wave of China's economic gains. Canada's help works out at about 5c per Indian per annum."

The Eastern Economist points out that China in 1949 started from a productive level lower than India's. It points out too that, merely to stay even, China must increase its food output much faster than India because the Chinese population is growing at 2% yearly against the Indian rate of only 1.5%. (Incidentally, support for India's tentative birth control campaign should be part of any intelligent plan of aid, seeing that the increase in the food supply is barely sufficient for the new mouths.)

The New Delhi editor also observes philosophically that the Indian tradition is pacifist, tolerant, individualist and democratic whereas the Chinese tradition is warlike, authoritarian, centralized and despotic. China's progress since 1949 has been attained, it is argued, by ruthless taxation and brutal regimentation such as the Indian people would never put up with.

This may all be perfectly true; but it offers a hope, rather than a certainty, that India can go on indefinitely resisting the force of the Chinese example. There may come a time in China, as there came a time in Russia, when there can be some relaxation of the drive to create heavy industry and some attention to consumer demand. What happens then?

By that time Mr. Nehru may no longer be in charge. Without him, will India's tradition be tough enough to endure if China, by whatever methods, can demonstrably offer a superior standard of living?

The Competing Systems

The answer, as people know it in North America or Western Europe, is that the free or market economy yields and distributes immeasurably more wealth per head than the socialist economy. But the Indians, unfortunately, don't know this. Their country and neighboring China are roughly on a level as the most poverty-stricken places on earth. It is with China, not with the U S. or Canada, that an Indian naturally makes comparisons. If Communism produces quick results for the Chinese, he is going to be impressed.

It therefore appears to me that, if India is to be shown the advantages of the Western system and to become a shop-window for the rest of Asia, an effort enormously more spectacular and imaginative than the present aid scheme is required. American help to India since mid-1955, lavish though it appears at $419 million, works out at 40c per Indian per annum. Canada's aid under the Colombo Plan, if half of it went to this one country, was equal to 5c per Indian per annum.

The problem, of course, is capital formation. Whereas Western nations can save and invest up to one fifth or even more of their annual income, half-starved Asians can save next to nothing. China is building plant by forced savings, exacted at the cost of unimaginable hardship. Can India be enabled to match this performance without the grief and pain? Certainly not at the present rate of Western aid.

There is an estimate that it would take equipment worth $540 billion to bring all Asia up to the Japanese industrial level. Gifts on this scale from taxes are inconceivable. Only private capital could even remotely approach the requirements. (Present U. S. investment in Canada: $10 billion plus.) There was perhaps a signpost to the future in last week's announcement that South Vietnam, for the first time, is about to be enriched by American and other free-enterprise investment in textile, sugar, glassware and pharmaceutical plants, with guarantees against expropriation, war risks and non-convertibility of money.

This is an interesting event and could set a pattern; but it would require by far the largest capital movement in history to remake the economy of non-Communist, uncommitted Asia. This movement, for several reasons including events in Indonesia, is not likely to happen. Meanwhile, Western government aid is a tiny trickle into Asia's gargantuan bucket and does not begin to duplicate the tidal wave of China's economic gains.

Aid From Russia

The second new factor in the situation is, as noted, Russian competition in offering help. Sometimes it has economic strings and is not "aid" at all in the Western sense; for example, as the Soviet News Bulletin reports, factories being installed in Ceylon are to be paid for in twelve years, with interest at 2½%, in Ceylonese goods or convertible currency. Yet supplies from Russia, free gratis or not, are said to have more propaganda value than supplies from the West.

The Soviet Union's "anti-colonialism" may be the hoax of the century but it is a successful hoax. The USSR, as Edward Crankshaw has pointed out, is an empire, not a country, with millions of inhabitants (in Kazakhstan and other Asian republics) as unlike Russians as Malayans and Bantus are unlike Englishmen. But Russia never exercised imperial power, whereas European nations did, in India, Indo-China, Burma and Indonesia. Hence, in some Asian eyes, Soviet aid is purer and more disinterested than Western aid. In the competition, the West starts with one strike against it.

Not all the Asian lands, however, are able to shop on both sides of the street and play one against the other. Syria, like China, gets Soviet aid only. Three that get Western aid only are the Philippines, Thailand and Pakistan. They have cut themselves off from Moscow's benevolence by becoming military allies of the U. S. in SEATO, the Southeast Asian Treaty Organization.

A SEATO conference at Manila recently was remarkable for complaints by the Asian partners that Uncle Sam is not doing enough for them. Not only have they come to regard aid as a matter of right; at least one of them feels entitled to use political threats to extort more. Firoz Khan Noon of Pakistan announced that he would shake hands with the Communists if he didn't receive extra money and, as well, support of his position in the Kashmir dispute.

The U. S. and Australia, another SEATO member, responded by upping their donations; but it looks questionable if the Western nations can continue indefinitely to do business with Asian allies on these cupboard-love terms.

True, power politics is a hard-boiled, cynical game unspoiled by sentimentality; allies, like oil, are where you find them and not recruited by love. Conceding this, what is the posture of Washington if it begins to appear to friend and foe that the mighty U. S. has no real confidence in either its democratic gospel or its Asian allies and can be publicly dunned for dollars by a threat to switch allegiance and team up with the Muscovites? Surely this reduces the so-called "battle for men's minds and hearts" to a sordid auction.

"Very Well Then, Go"

There are two contrary ideas on what the West should do about it. One is George S. Kennan's opinion that, when a country says it will "go Communist" unless it gets more aid, the right answer is: "Very well then, go. Our interests will suffer but yours will suffer first." The other view, still Utopian but gaining support, is that Russia and the U. S. should stop competing and collaborate to rescue the Asians from poverty.

Kennan says he feels no sense of guilt about the economic backwardness of Asians. It isn't his fault, nor the fault of his ancestors, that they lag behind in the industrial procession. A Canadian could say the same thing. A Briton, Frenchman or Dutchman could go further and claim that his country was largely responsible for such industry as the Asians possess.

Certainly Kennan is right to insist that the West is neither paying a debt nor expiating its sins by giving the Asians a hand. He is equally right, it seems to me, when he says the West should not act as if from fright or under duress. The line should be: "We will regret it if you go Communist but it's your funeral, not ours, and we have no intention of bribing you to stay on our side."

Kennan would make it stick by withdrawing help when demands are backed with menaces. "Let Russia disappoint the Asians for a change," he says. The Russians, one may assume, are no more able or willing to respond to unlimited Asian requisitions than is the West.

This assumption, if logic were the guide in these matters, would lead straight to the proposition that competitive aid should be abandoned. In fairness to the Indians, who draw on both American and Soviet sources, it should be said that they have always wanted all assistance funnelled through the United Nations, with no political strings, genuine or suspected. Yet it seems unrealistic to ask the U. S. and Russia to give up the hope that aid, though it doesn't buy allies, may yield goodwill as a bonus.

Unrealistic or not, the idea has respectable support. Adlai Stevenson recently suggested that the U. S. should offer to pay half the cost of Nasser's Aswan dam on the Nile, inviting Moscow to put up the rest of the money. The Economist (London) argues editorially for "an aid fund provided by matching contributions" from the two big power blocks. "This," it says, "ought to give great satisfaction to recipients anxious to keep their uncommittedness pure."

Support for "SUNFED"

Two American senators, Monroney and Humphrey, are advocating similar schemes. There is growing support for SUNFED (Special United Nations Fund for Economic Development) which would impartially administer all capital grants to the underdeveloped countries.

To me it doesn't look possible to eliminate competition entirely. For one thing, under any plan, there will always be goods (locomotives, hydro equipment, farm machinery or what not) labeled "made in U. S. A." or "made in U. S. S. R." or "made in Canada." There will always be American technicians and Russian technicians. If some of the help continues to take the form of training in big technical schools, some of the trainees will go to the Soviet Union, others to the U. S., Canada or elsewhere in the non-Communist world.

Apart from all this, the "contest for men's minds and hearts" is supposedly still real in Asia. Supposedly it will some day have an outcome, in victory for one side or the other. But are these assumptions true? Or will millions of neutral Asians dwell forever in an ideological and military no-man's land? The answer isn't clear. The philosophy and purpose of aid need rethinking.

But I suggest that if competition is to continue the West had better take it seriously and, in view of Chinese developments, compete a lot harder than at present.

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JUMP IN LOANS

From Our Own Correspondent

SASKATOON—There has been a terrific jump in amounts of government loans to businesses in Saskatchewan. Average loan payments made through the province's industrial development fund in the past year, according to information tabled in the legislature, was $280,280. The average in previous years was $12,491. One of the larger amounts went to **Prairie Pipe Co. — $900,000.**

Where Do We Get Money to Grow?

Coyne report points up a continuing problem . . .

By MICHAEL BARKWAY

OTTAWA (Staff)—If Canada wants to go on growing faster than other countries, we will have to go on getting a considerable share of our capital from abroad in goods and in money.

Domestic savings cannot supply even enough capital for 1958 in goods or in money.

So says James Coyne in the Bank of Canada's annual report for 1957. And this suggests the kind of advice the central bank will give the finance minister after March 31 when he tackles the huge borrowing program ahead of the Federal government.

The bank report also gives a clear hint that "artificially low interest rates" are not wanted.

Apart from possibly inflationary effects, "artificially low rates" would discourage Canadians from saving, it says: and there will be borrowers for all we can save.

Naturally there is no hint about how high rates must be to avoid being "artificially" low. But Mr. Coyne indicates they must at least be well above U. S. rates—assuming that U. S. continues to be the main source of foreign funds—so that we can attract capital from abroad.

The bank governor assumes that Canada will need this year, not only an inflow of foreign capital, but also an excess of imported goods over exports.

He says the need for new capital will exceed Canada's ability to save "by a considerable margin," and "in real terms as well as in money terms."

Demand and Output

He says also—and this is under date of Feb. 28—that "actual and potential over-all demand in Canada exceeds actual and potential capacity for physical production in Canada."

Some of the domestic industries, specially in secondary manufacturing, will find this statement hard to accept. When present production is so far below capacity, for lack of demand, they question the necessity of an import surplus.

However, Mr. Coyne still expects one, balanced by an inflow of capital—though he says both will be smaller than in recent years.

The reduction in Canada's deficit in current transactions with other countries actually started at mid-year 1957, after soaring up to record rate in the first half of last year.

The lower deficits of the last two quarters balanced off with the bigger ones of the first half, and left the annual total almost exactly at the same level as 1956.

For 1957 the deficit was covered by capital from abroad, came to $1,383 million, compared with $1,372 million in 1956.

Foreign Investment

As a result, our net indebtedness abroad shot up to more than $11 billion; and long-term investments in Canada held by foreigners were swollen by the largest increase of many years — rather more than $1.5 billion.

A preliminary **DBS** estimate says that they stood at about $17 billion at the end of last year.

Probably almost $10 billion of that represents real property in foreign-owned enterprises.

The amazing growth of foreign ownership and of total foreign investment in long-term Canadian assets is shown in these figures.

	Total at year end direct invest.	Foreign investment in all long-term forms
	$ Billion	
1949	3.6	8.0
1951	4.5	9.5
1953	6.0	11.5
1955	7.7	13.5
1957	†10.0	*17.0

†Financial Post estimate.
*Dominion Bureau of Statistics est.

The huge import surpluses, corresponding to the capital inflow, are officially regarded as having been necessary to maintain the rapid rate of expansion of recent years; and the rate certainly could not have been reached without the foreign funds. Even in the last quarter of last year, U. S. money was still pouring into Canada for direct investment in U. S.-owned enterprises. The last quarter direct investment came to $155 million, almost as high as it has ever been.

Where It Was Spent

For the year as a whole, new direct investment totaled $525 million, of which about $410 million came from the United States. About half of it is estimated to have gone into the petroleum industry. Mining took the next largest slice. Manufacturing attracted rather less in 1957, and more of the foreign money was going to buy existing concerns instead of starting new ones.

Last year, as in 1956, the biggest capital inflow was in portfolio securities, with Canadian borrowers responsible for most of it.

New Canadian issues sold abroad came to the massive total of $762 million — a new record, and 12% higher than 1956. Retirements were only $152 million.

Sales of existing Canadian stocks came to $140 million, which was lower than the $195 million of 1956, but matched all previous years.

Canadians bought back $36 million of outstanding bonds.

All these security transactions together provided $731 million of new capital in 1957, of which $529 million came from the United States; $127 million from the United Kingdom; and only $75 million from other European countries (far less than the $111 million of 1956).

The annual totals are impressive enough; but they would have been far larger if things had continued at the pace of the first half year. The inflow tapered off in the second half: here are the figures by quarters:

First: .... $235 million
Second: ..... $316 million
Third: ..... $135 million
Fourth: ..... $ 45 million

Paying for Service

All this new foreign investment has to be serviced, of course; and the growth in interest and dividend payments is becoming one of the major features of our current dealings with other countries. In the last quarter of 1957 Canadian payments of interest and dividends to foreigners hit the new high of $200 million. For the year as a whole they came to $613 million.

The growth has been steady and consistent, as the boom involved us in ever heavier obligations to foreigners. Thus in 1954 we paid out $423 million; in 1955 $483 million; in 1956 $530 million; and then in 1957 the record $613 million.

This year, with service due on all last year's borrowing, payments will be higher still; and bond interest falls due in bad times as in good.

Dividend payments, on the other hand, do not have to be paid if times are bad and the foreign - owned enterprise does not show a profit. That could mean lower outgo for dividends this year; but it is not necessarily so.

Canada has never yet felt the full weight of the dividend transfer to foreign owners, because most foreign-owned enterprises in these recent years have been ploughing back something like half their profits. If the present pause in expansion stops them reinvesting so much, the dividend outgo (even at a lower level of profits) could increase very sharply.

We have some offset against interest and dividend payments from similar receipts from Canadian - owned enterprises abroad. But they are hardly growing at all. Last year they came to $151 million, which is just about the same as the average of the last four years.

The net drain on our current account in 1957 was $462 million.

In 1956 it was only $390 million; 1955: $323 million; 1954: $276 million.

Are we in future years going to have to keep borrowing so that we can pay our interest?

(Advertisement)

Dupuis Net 86c a Share

Operating profit of Dupuis Frères, Limitée, totaled $1,153,000 in the 1957 fiscal year. This compares with $1,232,415 in 1956.

After payment of $250,501 interest on mortgage debenture and bank loans, provision of $241,749 for depreciation (in accordance with regulations of the Department of National Revenue), of $10,000 amortization on general debenture discount, and of $323,384 income taxes, a net profit of $327,366 was transferred to earnings retained and employed in the business, as against $419,734 the previous year.

Raymond Dupuis, president, states that the decrease was due to rising operating expenses and payroll costs. In addition, local difficulties which occurred during the year in a few districts of the Province of Quebec affected the Mail Order trade.

Earnings were equal after payment of dividends on preferred stock, to 86 cents on each of the 300,000 Class "A" shares outstanding. The previous year's net profit was equivalent to $1.16 per Class "A" share.

Dividends of 55 cents per share were paid on Class "A" stock in each of the years.

Balance sheet at Jan. 6, 1958, shows current assets of $7,967,139 and current liabilities of $2,805,293. This indicates net working capital of $4,-976,096, compared with $3,478,413 at Jan. 7, 1957.

The company issued $1,500,000 new sinking fund 6½% debentures, Series B, on Nov. 15, 1957, to mature Nov. 15, 1957. The proceeds of the sale of these debentures was applied to reduce the company's bank loan.

In the annual report to shareholders, Mr. Dupuis notes that the House of Dupuis will pass another milestone in 1958, when it reaches its 90th anniversary.

"Due to its steady and progressive growth, Dupuis Frères, Limitée, stands in the forefront of the retail trade of Montreal and of the Province," he states.

"The Management will intensify its vigorous policy in merchandising and services."

Canadian Auto Production

	Week Ending Mar. 15	Same Week 1957	Year To Date 1958	Year To Date 1957	% Change To Date
CARS					
General Motors:					
Oldsmobile	404	412	3,491	4,830	—27
Buick	283	478	3,562	5,281	—32
Pontiac	1,215	962	11,811	9,053	+30
Chevrolet	1,887	1,889	19,007	18,501	+3
	3,789	3,741	37,871	37,665	
Ford:					
Edsel	27	...	323	...	...
Mercury	140	348	1,341	2,576	—48
Meteor	507	629	4,809	6,706	—28
Ford	1,317	1,225	12,003	13,283	—9
	1,991	*2,485	18,476	*24,923	—26
Chrysler:					
Desoto	25	...	222	...	—53
Chrysler	106	166	691	1,466	—53
Plymouth	591	1,131	4,911	10,289	—52
Dodge	572	1,153	4,858	11,517	—58
	1,294	2,450	10,682	23,272	—54
Studebaker-Packard:					
Studebaker	80	200	578	982	—41
Total	7,154	8,876	67,607	†87,150	—22
TRUCKS					
General Motors	550	750	5,567	7,676	—27
Ford	280	707	2,783	4,602	—39
Chrysler	140	161	1,367	1,861	—26
International	249	78	2,202	2,624	—16
Total	1,219	1,696	11,919	16,763	—29
Total vehicles	8,373	10,572	79,526	103,913	—23

*Includes Monarch.
†Includes Rambler.
Source: Canadian Automobile Chamber of Commerce.
N.B.—Last week some of the totals supplied for 1957 production were incorrect.

Industry Breakdown Of Those with Jobs

Service groups, mining strong but fewer on the farm . . .

OTTAWA (Staff) — Publication of the labor force survey carried out at mid-February has ended the period of foreboding about increasing unemployment, and removed the uncertainty which pleased the gloomiest prophets.

We now know the worst. Every economist here recognizes that unemployment at 9.5% of the labor force is serious unemployment. But, apart from a slight increase which may show in the March figure, the regular seasonal pick-up will now gradually bring the figure down.

The latest official forecast does not predict an upturn in employment. Apart from the seasonal change the economy may go "bumping along the bottom" for a while yet. But at least the experts are now ready to confirm that we have reached bottom; and this will make it easier for many business planners to proceed with more confidence.

The total of all Canadian employment has been running below year-ago levels since January.

This total is what matters when you are concerned with jobs for people.

But it does not reveal the pace of business as well as the measure which leaves out farm workers. Farm jobs have been falling steadily: this is the area where productivity has really been increasing.

But non-agricultural employment has not fallen so much. In January it was still fractionally above a year ago, and in February it was roughly the same.

An industry breakdown shows the service group, as usual, going strongest. But this time it was mainly supported by governments.

More than 1,200,000 people were employed in service jobs in February, compared with 1,-180,000 in January. A year ago it was 1,146,000.

Public utilities also employed more people than last year—73,000 against 63,000.

Construction was about the same. The February figure was 337,000 against 341,000 last year —a difference so small that it is within the range of statistical error. But the interesting thing in this picture is that **there was no drop in construction employment** from January to February, as there was last year.

A similar case is in the group classified as "transportation, storage and communications". **It actually provided more employment in February than in January**—416,000 against 409,-000—whereas last year there was a drop from January's 422,-000 to February's 413,000.

Manufacturing employment remains slightly below last year, at 1,403,000 in February.

Mining has held up very well, and provides substantially more jobs than last year. This year's employment was steady through January and February at 122,-000, which is a real improvement on 1957's 115,000 for January and 107,000 for February.

Dome, Sigma Output Higher

Production in February by **Dome Mines** and **Sigma Mines (Quebec)** was slightly higher than in the same month a year ago.

Dome had gross production of $455,727 from 55,500 tons milled compared with $441,465 in February, 1957. But output was lower than the January level this year at $486,987.

Sigma's February production this year amounted to $206,063 from 31,584 tons milled. This is an increase over February a year ago when production was $203,-797 but down from $230,788 in January this year.

RENABIE MINES had gross bullion production of $92,442 from 11,593 tons milled in January this year. Value per ton milled was $7.97.

Dealers Rap Oil Companies In Price War

(CONTINUED FROM P. 1)

nine out of 163 service station operators remained in business from beginning to end," he told **FP**.

Fletcher blames the oil companies for starting the Toronto price-cutting, admits that competition between dealers is carrying the price lower.

He claims that some oil companies have been selling gasoline to selected dealers at a below-average cost. For example, a car rental firm might pay less for gasoline than a service station operator. The car rental firm can retail the gas at a cut price.

Some major oil companies admit that they are now "subsidizing" their dealers in the price war.

In one case, dealers are offered gasoline at a reduced wholesale price on condition they do not resell it at more than 36.9c gal.

The cut, however, does not compensate for all the reduction in profit from selling at this level.

The customary sale price of 44.5 gal. can be broken down as follows: Wholesale cost of gasoline, 22.8c, tax, 13c, average overhead, 5.6c, leaving 3.1c for the operator.

With the price at 36.9c, retailers claim the wholesale cost is cut 3.9c to 18.9c and the operator's margin is cut 3.7c to a loss of 0.6c.

Only a dealer with less than average overhead or a substantial repair business can survive, say the operators.

CBA Ready to Speed Up Second Stage Smelter Plan

MONTREAL (Staff) — **Canadian British Aluminium Co.** has scaled down earlier profit estimates covering the four-year period to 1961.

In 1961, company now estimates, sales will be $41,664,000 and net profit after taxes $3,-027,000. This is a decline in sales of just over 1% and a drop in net profit of 23.2% from predictions last fall.

Company now expects sales in 1958 of $16,578,000 (off 5% from $17,468,000 forecast earlier) and a net loss of $675,000 ($185,000).

While construction and operating costs have increased slightly, there is no general reason for the drop in estimated profits below forcasts made last November.

Difference is believed largely due to more accurate figures now available as the Baie Comeau smelter gears for full production.

The new estimates were disclosed in connection with an offering of $10 million 5¾% first mortgage sinking fund bonds, Series B, carrying stock purchase warrants, being made by syndicate headed by **Wood, Gundy & Co. and Greenshields & Co. Inc.**

Price is 100 and accrued interest. Bonds are dated April 15, 1958, will mature July 15, 1980. They are not redeemable before July 15, 1967, for refunding purposes.

The stock purchase warrants entitle holders to purchase 10 class A shares for every $1,000 of bonds at $12.50 per share to Sept. 4, 1964, and thereafter at $15 per share to Sept. 4, 1967. (Class A shares recently were trading at $9.)

Bonds are redeemable in part or in whole at a premium of 5¾% to July 14, 1959, the premium decreasing annually by 0.3 of 1% to July 14, 1977, and thereafter at par. For sinking fund purposes they are redeemable at par.

Proceeds are to provide funds to bring into operation stages 1 and 2 of the company's aluminum plant.

Construction of stage 1 (with a capacity of 40,000 long tons of ingot annually) is almost completed. It will be in full operation next month. Production of aluminum started last December.

Completion schedule for stage 2 (also of 40,000 tons) has been advanced. First production is now scheduled for this fall, with full production in mid-1959.

No decision has yet been taken on construction of stages 3 and 4 which would add a further 80,000 long tons to annual capacity. Arrangements have been made, however, to get power for these stages on reasonable notice.

Spending Plans

Estimated cash requirements for completion of stages 1 and 2 call for almost $29.6 million this year and nearly $7.3 million in 1959.

Because of the speed-up on stage 2, requirements in 1958 are about $2.6 million higher than forecast last November while 1959 requirements are down about $2.4 million.

The current bond issue likely will be the last public financing required to complete the first two stages.

First shipment of company's ingot to Britain is scheduled to leave Baie Comeau in April, with further shipments on a regular schedule.

P. T. Ensor, vice - president and general manager, says company has no marketing worries at present. All the plant's output available for sale will, if necessary, be purchased by **British Aluminium Co.** in the U. K.

Canadian Marconi Shows 1957 Loss

Canadian Marconi Co., Montreal, showed a "substantial" loss on its operations for 1957, it was reported in London, Eng., last week by Sir George Nelson, chairman, **English Electric Co.** English Electric has a controlling interest in Canadian Marconi.

The loss follows a deficit of $179,991 experienced by the company in 1956. English Electric attributes loss to "diminishing business in the electronics industry, particularly in the sales of radio and television receivers, to curtailment in defence spending by the Canadian Government, and to continued rises in the costs of labor and material.

"During the year the company effected operating economies designed to meet this situation," he reported.

"In view, however, of the importance of the company's future in the electronics business in Canada, the most important elements of its program of engineering development were continued and a number of significantly new and commercially interesting devices are now on the market."

FOR SALE

. . . due to conversion to Hydro

1—Allis-Chalmers Turbo-generator, 2500 KW, 2300 V, 60 cycle, complete with direct connected exciter, surface condenser complete, all pumps and piping, control panel with circuit breaker and all instruments.
1—Babcock-Wilsox boiler, pressure 180#, capacity 28,000 lbs, per hour, complete with forced draft fan and chain grate stoker.
1—Babcock-Wilcox boiler, pressure 180#, capacity 15,000 lbs per hr, complete with chain grate stoker.
1—Babcock-Wilcox boiler, feed-water pump, steam turbine driven, steam pressure 180#, speed 3000 R.P.M., capacity 20 B.H.P.
1—Webster feed-water heater, class E.B.
1—Overhead manually operated crane, Herbert Morris crane & Hoist Co., capacity 10 ton.

Quotations received for above, as is and where is.

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Big Profit Drop For Consolidated

MONTREAL (Staff)—Earnings of **Consolidated Mining & Smelting Co.** showed a sharp drop in 1957. Net profit, after a special contribution to the pension fund society, amounted to $18.5 million ($1.13 per share).

This compares with $30.3 million ($1.83) in 1956.

Annual report will be mailed to shareholders about April 3.

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Beneficial Finance SYSTEM

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• total assets exceed $500,000,000
• annual earnings at new high

The year 1957 was a good year for Beneficial with net Instalment Notes Receivable up $50 million to a new high total of $492 million at the year-end. Earnings exceeded $20 million and assets passed the half-billion-dollar mark.

The Beneficial Finance System through 1,089 offices, the largest system of its kind in the world, makes small loans generally to families to help through temporary financial emergencies with instalment repayments to come from future wages or salaries. Volume of loans in 1957 exceeded three-quarters of a billion dollars.

. . . a BENEFICIAL loan is . . . for a beneficial purpose.

HIGHLIGHTS	1957	1956
Net Income	$ 20,152,232	$ 18,685,686
Net Income per Common Share (adjusted to present capitalization)	$1.91	$1.76
*Cash Dividends per Common Share	$1.00	$1.00
Total Assets	$511,768,524	$462,492,129
Amount of Loans Made	$754,673,124	$739,041,925
Number of Offices	1,089	1,023
Instalment Notes Receivable (after deducting Unearned Discount)	$492,742,936	$442,283,634

*Cash dividends actually paid on the Common Stock were $1.00 per share for 1957 and 1956. Adjusted to present capitalization, such per share amounts were equal to $.95 and $.85, respectively.

The information contained herein should be read in conjunction with the financial statements and notes appearing in the 1957 Annual Report to Stockholders. A COPY OF THE REPORT WILL BE FURNISHED UPON REQUEST.

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What Bank's Coyne Said On Our Monetary Policy

In his annual report to the Minister of Finance, J. E. Coyne, Governor of the Bank of Canada, reviewed monetary policy in 1957, a year of expansion, and commented on its probable influence in 1958, a year of recession.

He said:

• **Monetary policy** is more effective in moderating the growth of credit than in stimulating its use when spending is inadequate.

• **In the recent period** when the abnormally high demand for money outran the rate of saving the supply of money was increased — not contracted — and the velocity of circulation rose very substantially.

• **It is not possible** for monetary policy to operate differently in different regions under existing statutes and banking arrangements.

• **An easier policy** over recent years would have made the boom worse and would have brought a more serious recession

Money Supply

Since August 1957, $486 million hike . . .

with a greater degree of unemployment.

• **If the banks** again have to allocate their resources as they did in 1955-57, first call should be to fill the credit-worthy needs of small business.

Here are excerpts:

The Outlook

Under present circumstances the objective of monetary policy should be—and is—to encourage and assist an increase in economic activity. This is the reason for the substantial monetary expansion that has taken place in Canada since last August.

At the same time, policy must have regard to the needs of the future.

If increases in the availability of credit and reductions in its cost are pushed beyond reasonable limits, little further will be achieved by way of encouraging economic expansion.

Undue increase in the liquidity of the economy will set the stage for further declines in the value of money in the future—and reduce the stabilizing influence that monetary policy can have.

If it were certain that we were headed for a severe and prolonged depression in Canada, the neutralizing of monetary policy for the future might not matter so much, but I believe there are few who see our economic future in terms so bleak and I am certainly not one of them.

While monetary policy can help to moderate economic fluctuations, most observers believe that it is more effective in moderating the growth of credit when spending tends to be excessive than it is in stimulating the use of credit beyond a certain point when spending is inadequate.

After money has been made readily available there is not much more the central bank can do to stimulate outlays if spenders and potential borrowers do not see attractive fields for their activities.

Supply and Demand

The influence of the central bank on the level of economic activity is felt through the effect which it can have on the supply side of the market for borrowed money.

Even without action by the central bank, developments in the market for credit tend to be stabilizing in character — borrowed money becomes expensive and more difficult to find during periods of rapidly expanding demand and less expensive and easier to find during periods when demand tends to lag behind the supply of new savings.

The first decision involved in monetary policy is clearly to allow this automatic stabilizer to work,, the second is whether and when and to what extent to supplement it by central bank action.

No Contraction

During the recent period when the abnormally high demand for money outran the rate of saving and the moderate increase in the money supply, the impression seems to have arisen that the money supply was actually being contracted.

This was not the case.

The supply of money increased and its velocity of circulation rose very substantially.

The phrase "tight money policy" may sometimes be used to refer to matters other than monetary matters such as policy with regard to government taxation, expenditure and lending.

To the extent that the phrase might be taken to imply a **contraction** in the availability of money it is not applicable. In this sense of the phrase there has never been a "tight money policy" in Canada since the establishment of the central bank 23 years ago.

There has been what I would call a sound money policy and I trust there always will be. Circumstances might arise in which a sound money policy might require an actual reduction of the money supply but this has not in fact happened.

Even during the 1955 - 57 period of inflationary pressure there was no policy of reducing the money supply or of reducing the total volume of bank loans.

The banking statistics published by the Bank of Canada each week and each month show clearly that the supply of money continued to expand to a moderate degree even prior to the acceleration which occurred after mid-August 1957 (by "money supply" I mean bank deposits as well as currency in circulation).

The total volume of bank loans increased very greatly—much more than the volume of money—as the banks sold Government bonds in large quantities to obtain funds (over and above the increase in their deposits) to make more loans.

Despite this increase in the supply of money and much greater increase in bank loans, an impression of "tight money" arose because of the extraordin-

Inflation

This price trend led to restraint . . .

arily large increase in demand for money.

Undoubtedly some borrowers who felt they had sound projects requiring financing we unable to obtain loans of other people's money at interest rates which they were prepared to pay.

This happened in some cases because lenders did not regard these projects as offering an attractive outlet for the funds under their administration, or because other borrowers were willing to pay higher rates of interest if necessary and did in fact succeed in borrowing all of the increased supply of funds that banking institutions, life insurance companies, other lending bodies and private investors had available for lending.

Interest Rates

Many complaints of "tight money" appear to relate not to the availability of loanable funds but to the matter of the interest rate—the money was in fact available and was obtained by the borrower making the complaint but he felt he should have been able to get a loan at a lower rate of interest than that which was established by competition.

I know of no way in which in a free economy the central bank could prevent interest rates from rising in the face of such a huge increase in demand, except by creating larger and larger quantities of money, far in excess of the amount that could be made available without adding to inflationary pressures.

Since inflationary forces of considerable strength arising from non-monetary sources were already operating throughout the economy, such a monetary policy would undoubtedly have resulted in a much greater degree of price inflation than that actually experienced.

An already rather hectic boom would have been further aggravated, the over-expansion in certain lines of industry which has now become apparent would have been greater, and the aftermath of the boom would have been a recession of greater degree than anything which now seems likely.

Recession Moderated

The weight of evidence and experience is overwhelming that maintaining a moderate rather than immoderate monetary policy did help limit the rise in prices and protect the value of our currency, and did help to moderate the excesses of the boom such as the over-expansion of plant capacities and inventories and has therefore helped to reduce—not to cause or aggravate — the severity of the adjustments which are now taking place.

An easier policy, a greater degree of monetary expansion than that which occurred, would have brought on a more serious recession, with a greater degree of unemployment and other dislocations.

Impact from Abroad

Most of the difficulties that certain sections of Canadian business are now experiencing arose out of world conditions which had a particularly heavy impact on highly specialized and rapidly expanding Canadian export industries.

"Tight money" in Canada did not cause the world price of copper, lead and zinc to decline to such an extent as to cause a reduction in employment and the shutting down of some mines.

It was no lack of availability of money in Canada that caused the reduction in U. K. and U. S. imports of lumber and the resulting cut-back of production in the Canadian west coast lumber industry.

And clearly "tight money" in Canada (or elsewhere) did not create the condition of world-wide excess capacity in pulp and paper production and in aluminum production which is now causing difficulties for Canadian producers.

Likewise, the declines in housing activity and automobile production in Canada, though presumably of domestic origin, were not attributable to monetary policy or anything in the nature of credit restrictions. It is perhaps not recognized that in these fields the slowdown in Canada came much later than in the U. S. and the U. K. where monetary problems were more or less similar to those in Canada.

Housing began to decline in both the U. K. and the U. S. early in 1955; in Canada no noticeable decline occurred until the summer of 1956.

Although the banks temporarily curtailed their mortgage lending, they resumed a normal level of lending in this field in the second quarter of 1957.

The main drop in housing loans occurred in the case of other lenders for reasons unconnected with monetary policy.

Regional Policy Out

Discussion of the position of certain economic regions has given rise to the suggestion that monetary policy should not be the same throughout the country but should be modified in some way to the advantage of those regions which were not showing the same degree of economic growth as others.

It is not possible for monetary policy to operate differentially under our present statutes and banking arrangements and a major change would be necessary before it could do so.

The national branch banking system and the national capital market would have to be broken down into regional systems with some kind of control established to compel funds to be invested in and to be transferred to, and to prevent funds from moving freely out of, a region where interest rates were being held down (as has been advocated) as compared with other regions where interest rates were permitted to rise under the influence of demand.

Reference is sometimes made to the fact that there are 12 Federal Reserve banks in the U. S. This regional organization arose from the circumstance that banking in the U. S. is conducted by unit and regional banks rather than by banks with nation-wide branch systems.

Even so, central bank interest rates tend to be uniform.

Small Business

The matter of providing adequate finance for small business —with which I would include the requirements of farmers and professional groups as well as the needs of ordinary individuals for personal loans for non-speculative purposes—seems to me to be one of great importance.

During 1957, as in 1956, we have in discussions with the chartered banks expressed concern for the position of these small borrowers. We have been assured by the banks that there was no discrimination against such borrowers.

As regards the present position, following the substantial easing of monetary conditions which has occurred since August there can be no doubt of the banks' ability to expand their loans to small businesses, institutions, farmers and individuals to the full extent that there may be any unsatisfied credit-worthy demand in those fields, and indeed in any field of normal bank lending and investing.

While the experience of the recent inflationary period is freshly in mind it may be useful to consider one possibility in this connection.

If and when inflationary conditions appear again and the increase in the demand for money outruns the increase in total saving, there will be strong competition for loanable funds. Even if small borrowers are assured of non-discriminatory treatment by the banks they may be handicapped relative to large borrowers.

Small borrowers cannot supplement their use of bank credit by selling new issues of their securities in the market. Small business depends more on the banks, and must turn to the banks for increased accommodation when business is expanding.

It would, I think, be desirable that whenever the banks find it necessary to allocate their resources in the face of excessive total demand they should limit the rationing process to the field of large loans, and should make it clear that this was the case.

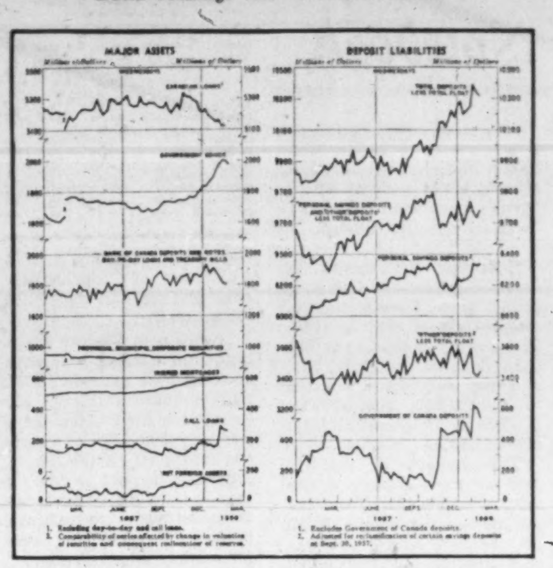
The first call on the resources of the national branch banking system must, I think, be to fill the credit-worthy needs for banking accommodation of small businesses, institutions, farmers and individuals — including a reasonable level of loans for housing—in all the various localities across Canada.

This approach is feasible because the funds required to meet such needs are small in relation to the total resources of the chartered banks.

The banks will always have very substantial additional resources to make available in flexible amounts for loans to large enterprises, — enterprises which can and do also obtain funds from non-bank sources and can vary their proportion of bank debt to non-bank debt as the circumstances may require.

Canada's Chartered Banks

Bond holdings rise as loans decline



Bank's Financial Highlights

	1957	1956
	— $000 —	
Net profit	68,711	47,272
Tsf. of inner invest. res.	......	42,593
Paid Fed. Govt.	68,711	89,865
Total assets	2,653,708	2,547,696
Sterling, U.S. dollars, etc.	63,628	60,995
Investments	2,495,688	2,448,258
Indus. D. Bank	25,000	25,000
Other assets	74,392	13,443
Capital	5,000	5,000
Rest fund	25,000	25,000
Note circ.	1,903,721	1,868,704
Deposits	584,168	581,458
Govt. of Can.	35,363	38,771
Chart. banks	517,572	511,496
Other	31,233	31,191
For. curr. liabs. *	70,032	62,175
Other liabs.	70,787	5,358

* Of which $60.0 millions was due to the Government of Canada Dec. 31, 1957; $53.4 millions Dec. 31, 1956.

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ANNOUNCEMENT

THOMAS G. LUTTON, C.L.U.

The London Life Insurance Company has announced the appointment of Thomas G. Lutton, C.L.U., as Superintendent, Group Sales and Service. Mr. Lutton joined the London Life Group field organization in Toronto in 1947, following graduation from the University of Western Ontario. In 1954 he was appointed Group Insurance District Supervisor in Winnipeg. He was appointed Group Insurance District Manager there in the following year.

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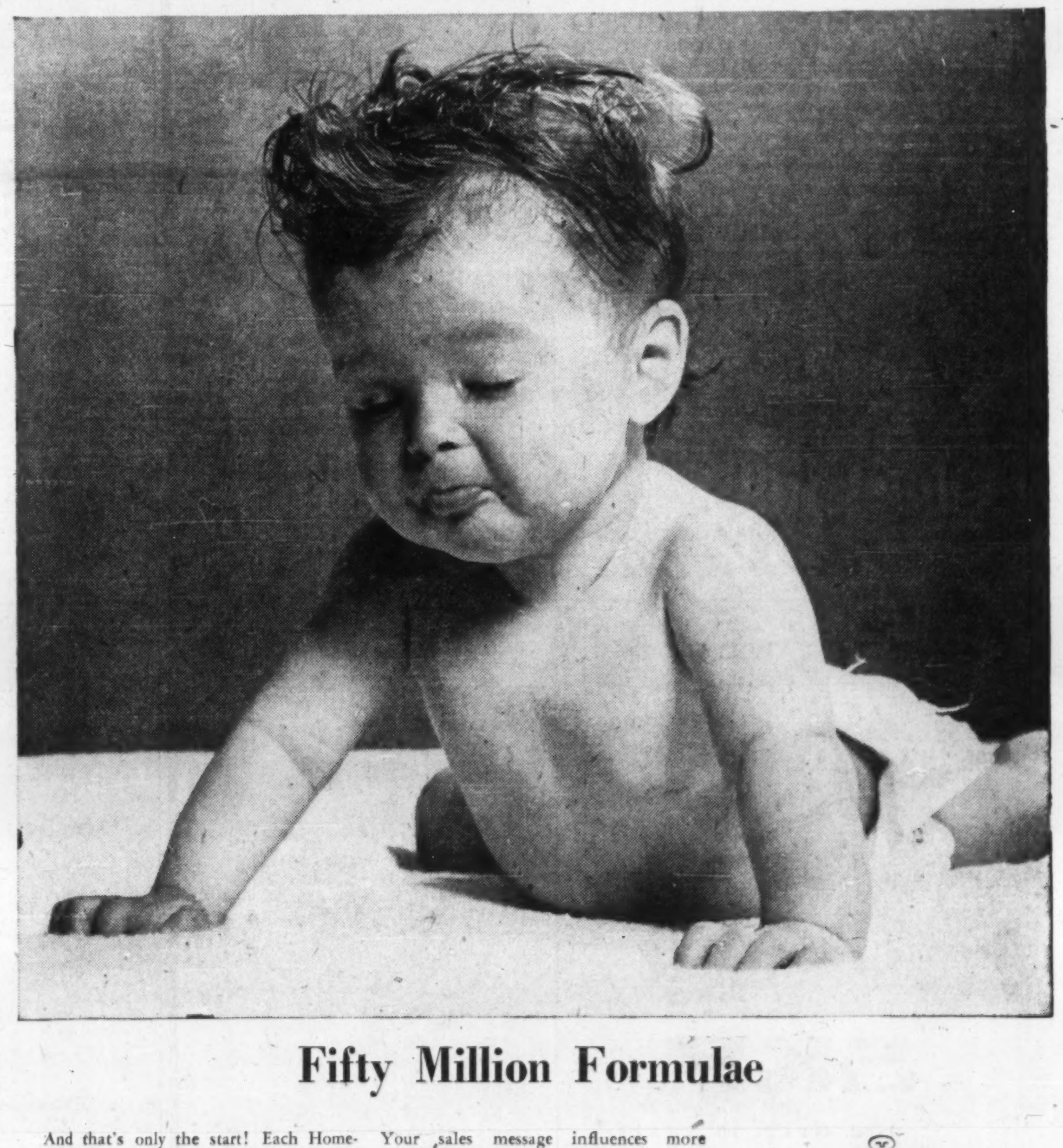

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Your sales message influences more people, your sales dollar buys more *readers* (not glancers or skimmers) in the local paper.

And you'll get enthusiastic dealer co-operation when you go into the media where he spends almost his entire advertising budget. This is the kind of advertising he knows from experience pays off at the cash register!

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A Londoner's *Financial Notebook*

News and views on the British securities markets, specially written for **FP** *by one of London's distinguished financial writers.*

Taking their cue from Wall St., stock markets have shown signs of improvement in the face of conflicting developments on the economic front. The underlying attitude of U.K. investors, however, remains one of caution.

Sterling has recovered from its recent setback, but on the other hand there has been an increase in the numbers out of work. There are now more than two unemployed workers in Britain for every unfilled vacancy.

The £45-million "rights" issue by the **Shell Oil** group has been a sell-out, with excess shares heavily rationed, but a £7½-million municipal issue for **Belfast** was not fully subscribed and dealings opened at a discount, despite the 6% yield. The bond market generally has become hesitant after its recent firmness.

* * *

Britain's trade gap, measured by the excess of imports over exports, fell to £11 million in February—the smallest in any normal month for nearly 12 years. This was mainly a reflection of lower commodity prices and freight rates.

An outstanding feature of the returns was the sharp rise from £18.7 million to £22.8 million in exports to the U.S. Exports to Canada, at £12.5 million, though still seasonally low, were higher than in January.

Taking January and February together, British exports to the U.S. show a 10% rise in value on the comparative figure for 1957. The American business recession has therefore not prevented British firms from increasing their sales in this market.

* * *

Reflecting the upturn in the U.K. motor-car industry, profits of the **Ford Motor Co.** reached a new peak in 1957. The trading surplus was more than doubled at £18,040,000, and net earnings amounted to £10,881,000, against £5,615,000 in 1956 and £8,552,000 in 1955.

The number of vehicles sold by the company in the year was 338,421. This was an increase of about 18,000 on the 1956 figure, but was still more than 12,000 below the record achieved in 1955.

Although the over-all production figure last year was below that of 1955, exports by the company reached a record high. At 184,669 vehicles, the export total was 20% above that of 1956 and 9% better than in 1955, the previous best year.

The only feature of the results to disappoint the optimists was the dividend, which is to be 9% for the year on the £39 million ordinary stock, payable from earnings of 55%. There had been hopes of a 10% total.

The increase in output has been maintained in 1958. Industry production was at a record level in January, and February was also a good month. Ford's own output has lately been running at an annual rate of about 400,000 vehicles and the immediate outlook is encouraging.

Other leading U.K. producers, such as **British Motor Corp.** and **Standard Motor** are sharing in the boom. However, with exports accounting for more than 50% of output, the industry is somewhat vulnerable to any trade recession in other countries. Ford is controlled by the Ford Motor Co. of the U.S.

* * *

Chairman Sir George Nelson told stockholders at the annual meeting of **English Electric** that results of the Canadian subsidiaries had adversely affected the group figures for last year by £242,000. Of this £110,000 was applicable to the parent company.

John Inglis and **English Electric of Canada** had done much better in 1957 and had achieved a small profit, but **Canadian Marconi** had again been faced with difficult market conditions and had incurred a substantial loss.

Of the current year, Sir George said that provided there was an early resumption in certain capital programs, the John Inglis group would continue its progress and improvement. Canadian Marconi, despite the trading setback of 1957, had an important future in Canada's electronics industry and a number of "significantly new" devices had come onto the market.

The English Electric group began the current year with an order book exceeding £250 million ($688 million). Sir George told the meeting there was as yet no sign of a serious falling-off in the rate of incoming export orders, though if the North American recession were to continue beyond the end of 1958 cause for anxiety might develop.

His own view was that economic activity would show some recovery towards the end of the year and that in 12 months or not much more, the world would emerge again into a period of growing prosperity.

* * *

Earl Alexander of Tunis, chairman of **Northern Aluminium** and former Governor-General of Canada, has announced plans for a £10-million development program by the company of which the major part will be the expansion of the aluminum rolling mills near Newport, Monmouthshire. The company is a subsidiary of **Aluminium Ltd.**

The program will take four years to complete and will raise the annual capacity from 50,000 tons to 75,000 tons. An ultimate further expansion to 175,000 tons is envisaged.

To finance the project, Aluminium Ltd, is to make a further dollar investment in Northern Aluminium by subscribing for £3 million of new ordinary share capital. Northern Aluminium plans also to raise an extra £3 million on long-term loan and to find the balance from retained earnings and depreciation.

U. K. Stocks

(Supplied by Ronald D. Smith & Co., Toronto.)

Here are representative issues traded in Canada (quotations are in Canadian dollars):

	—Recent— Bid $	Ask $	Feb. 22 Bid $
Bowater Paper	3.85	3.95	3.60
British Aluminum	6.00	6.40	5.90
British Petroleum	11¾	12¼	11
Courtaulds	2.55	2.85	3.65
Daily Mirror	1.30	1.50	1.15
Ford of England	4.60	4.90	4.45
Hawker Siddeley	3.45	3.75	3.45
Hudson's Bay Co.	21	22½	19¼
Imperial Chemical	5.05	5.25	5.00
Stewarts & Lloyds	2.65	2.90	2.65

Industrial Development Loans Up

MONTREAL (Staff)—Loans and investments of **Industrial Development Bank** at Feb. 28, 1958, were $75,880,851, up 1.7% from $74,564,968 Jan. 31.

Disbursements during October-February (first five months of fiscal year) totaled $9.4 million compared with $13.5 million in the corresponding period of the 1956-57 year. Repayments during the period were $5,388,581 compared with $4,455,464 in the previous year.

In February disbursements were $2,074,577 ($2,329,625 in 1957) while repayments were $758,794 ($621,677).

Here is the comparative statement of assets and liabilities:

	Feb. 1958 $	Jan. 1958 $
Assets		
Cash on hand and in bks.	30,853	95,657
Loans & invests.	75,880,851	74,564,968
Prop. held for sale	168,661	168,186
Guar. & u/w agree.	41,326	41,750
Other assets	1,158,039	1,138,161
Total	77,279,730	76,008,722
Liabilities		
Cash paid-up	25,000,000	25,000,000
Reserve fund	10,040,624	10,040,624
Reserves for losses	1,100,000	1,100,000
Bds. & debs. o/s.	38,700,000	37,550,000
Liab. under guar. & u/w agree.	41,326	41,750
Other liabilities	2,397,780	2,276,348
Total	77,279,730	76,008,722

ACID SHIPMENT

MONTREAL (Staff) — First shipment of sulphuric acid from **Canadian Industries Ltd.'s** new unit at Copper Cliff, Ont., will be sent out soon. Smelter gas from **International Nickel Co.** is the basic raw material.

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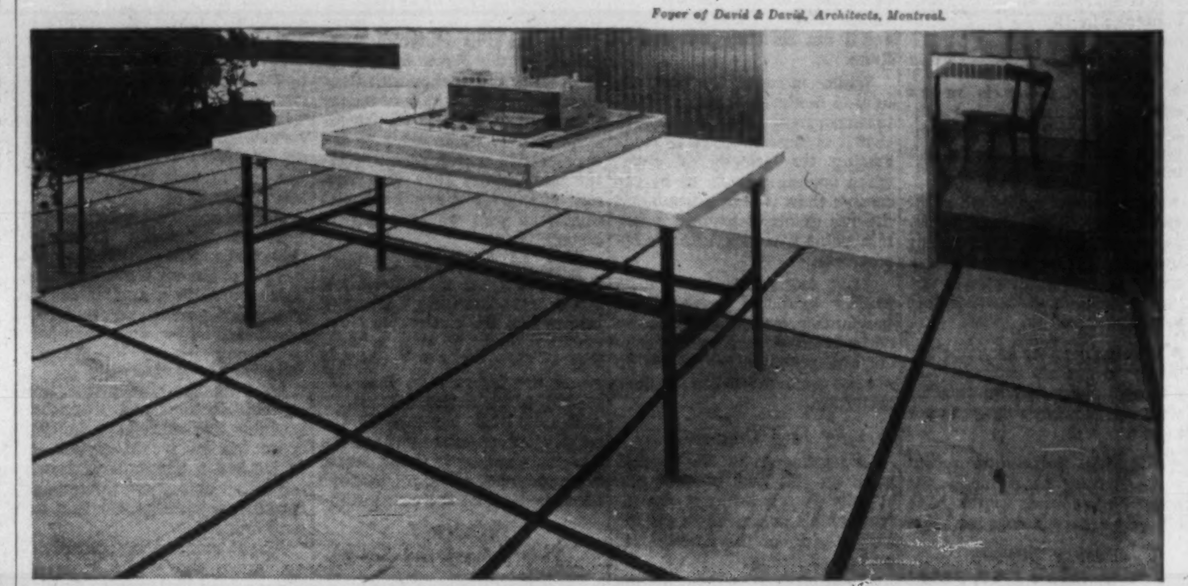
the functional beauty of
LINOLEUM

In this architect's office, Dominion Linoleum shows how easy it is to give smart individuality to business decor. Here is a flooring that is different, yet in perfect taste . . . attractive, yet dignified.

The Dominion Linoleum colour range is the finest in North America . . . a choice of nearly 100 different primaries, shades, tints and pattern variations. It is available by-the-yard or in individual tiles in several practical thicknesses. Colour plus convenience offer you wide scope for original floor treatments.

Dominion Linoleum is easy to clean. *Other advantages* are its non-skid property, noiselessness and its relative insensitivity to common cigarette burns.

For samples, leaflets on colour range, maintenance and installation, write: Dominion Oilcloth & Linoleum Co. Ltd., 2200 St. Catherine Street East, Montreal.

Foyer of David & David, Architects, Montreal.

Available by-the-yard or in individual tiles in these 4 types . . . *all inlaid* . . .
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New Issue

$29,640,000

The Municipality of

Metropolitan Toronto

(Province of Ontario, Canada)

4½% and 4¾% Debentures

(Non-callable)

To be dated April 1, 1958 — **To mature April 1, as shown below**

These Debentures are direct, joint and several obligations of The Municipality of Metropolitan Toronto and of the thirteen Area Municipalities comprising The Municipality of Metropolitan Toronto.

Principal and semi-annual interest (October 1 and April 1) payable in lawful money of Canada at the holder's option at any branch in Canada of the chartered bank or banks to be designated in the Debentures. Debentures to be in coupon form registrable as to principal only in denominations of $1,000, $5,000, $25,000 and $100,000.

Legal Opinion: Messrs. Clarke, Swabey, McLean & Ross, Toronto

Sinking Fund Debentures

The by-laws under which the Sinking Fund Debentures are to be issued provide for the annual deposit in a consolidated Sinking Fund of such an amount as with interest at an estimated rate of 3% per annum capitalized yearly will be sufficient to repay the Sinking Fund Debentures in full at maturity.

Principal Amount	Interest Rate	Maturing April 1,	Offering Price (1)	Approximate Yield to Maturity
$22,156,000	4¾%	1978	98.75	4.85%
1,030,000	4¾%	1983	98.75	4.84%
47,000	4¾%	1988	98.75	4.83%
Instalment Debentures				
$ 6,407,000	4½%	1959-1973	Sold	—

(1) Plus accrued interest from April 1, 1958 to date of delivery.

We, as principals, offer these Debentures subject to prior sale and change in price if, as and when issued by The Municipality of Metropolitan Toronto and accepted by us, and subject to the approval of all legal matters by Messrs. Clarke, Swabey, McLean & Ross, Toronto.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books either with or without notice. It is expected that definitive Debentures will be available for delivery in Toronto on or about April 3, 1958.

Wood, Gundy & Company Limited
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Mills, Spence & Co. Limited
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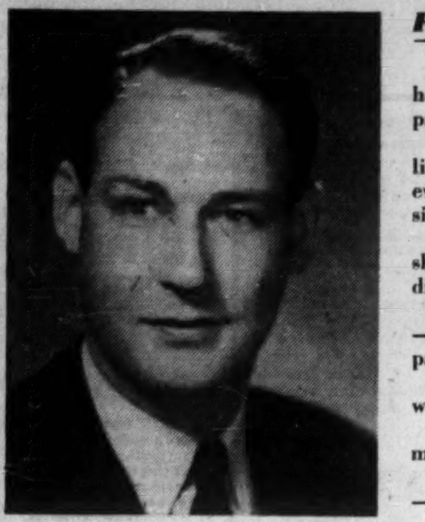
FP Life Insurance Winner



First Prize:

Top prize-winning entry in FP's life insurance contest describes how insurance can help solve several major problems which beset partners in a small company.

This entry is J. H. Donovan's answer to FP's question to licensed life underwriters: What's the best life insurance program you ever designed to meet the needs of a particular family or business situation?

He shows how a proper insurance program can settle the ownership problems of a partnership for the survivor should one partner die prematurely.

He also tells what this program means for the deceased's heirs — or what it could mean in terms of retirement income if both partners live.

This is the first of a series of 20 top-ranking case histories written by Canadian life insurance representatives.

FP suggests you clip the articles; they provide an intelligent man's guide to insurance buying.

By J. H. DONOVAN

Donovan and the Business Partners

Part of a life underwriter's job is to keep his eyes open for people and businesses likely to need his services. About three years ago I began to be aware of the number of times I saw trucks of the AB Construction Co. on the city's streets.

Out of curiosity, I drove past their plant, and found it to be so small it could almost be described as a "shack." It was obviously a young company, undoubtedly busy, probably growing.

I called to see if I could be of service. The president happened to be in, and was able to give me a few minutes. He told me, in answer to a direct question, that they had no business insurance, but that their auditor had once suggested they should own some.

However, he admitted they were not too clear on how such insurance could help them.

This gave me the opening I needed to get a few details about their business.

The Situation

I learned that the AB Construction Co. was owned by Mr. A—age 33—who was president and held 51% of the common stock; and by Mr. B—age 43—who was secretary-treasurer and held just under 49% of the common stock.

The small balance of stock was held by their auditor.

They had been in business only three years—starting on the proverbial shoestring — but already their company's worth appeared to be about $50,000, based on their audited annual statements.

The Problem

I pointed out that the death of either Mr. A or Mr. B would not only remove half of the management team but would place his common stock in the hands of his estate.

For the survivor there would be the question of what rôle the heirs would play in the business with their large interest.

For the family of the deceased their would be the loss of regular income, dependence on dividends (if any) from the shares inherited or on whatever cash they could hope to realize from the sale of the shares, providing a buyer could be found.

The president said that their desire was for the survivor to be able to have complete ownership of the company in the event of the death of the other major shareholder.

He told me they had been advised to have the company purchase life insurance on each of them. I was able to show him that this would only make the survivor's problem more difficult, since any amount paid under such a policy would increase the company's net worth, increasing the amount the survivor would have to pay for the deceased's shares.

I recommended a plan whereby each should buy a policy on the life of the other.

The president agreed to my returning in a few days with a definite proposal for discussion when Mr. B could be present.

The Recommendation

I came prepared with a copy of my written proposal for each of them. They were invited to read it carefully and to ask questions.

In the proposal I reviewed the need for a plan which would ensure that in the event of the death of one major shareholder, his heirs would receive a fair price for his shares, and in return the surviving shareholder would receive his common stock giving him complete ownership of the company.

I recommended their drawing up a binding buy-and-sell agreement which would provide that the estate of the deceased shareholder would sell his shares to the survivor and that the survivor would buy the shares at an agreed price.

The agreed price would be reviewed each year and amended as the value of the company changed.

To make it possible to carry out such an agreement, the brief pointed out, it is necessary for the survivor to have cash on hand for the purchase. Life insurance is the least expensive and best way of arranging for the financing of such a buy-and-sell agreement, since the very act of dying automatically provides the funds at the exact moment they are required.

I recommended the plan previously suggested to the president: each of them should take out a policy on the other.

Who Is Donovan?

J. H. Donovan, 42, joined Mutual Life Assurance Co. of Canada in Kitchener seven years ago. He is a member of the Half Million Section of the company's production club.

Before becoming an RCAF pilot in World War II, he spent four years in the oil business in South America.

After the war and before joining Mutual Life he had a stint first in the investment business, later in sales promotion work in the appliance industry.

Specifically, I suggested three plans of insurance which could provide the required cash: a low-premium plan, with no investment features; a medium-premium plan which would build up some cash values; and a higher-premium plan which would build up a considerable equity through the years.

Their decision was influenced by a factor which came to light during the discussions:

Shortage of Capital

As with many growing businesses, they had several good contracts ahead of them, and the only thing that was preventing their really going ahead was that old bugbear—lack of working capital.

After some discussion of this point, I suggested that an approach be made to the **Industrial Development Bank** to see if a loan might be arranged on the security of their equipment.

It was agreed that I should arrange an appointment with an officer of the bank, and present their case for them. It turned out that their type of business was not eligible for a loan.

While this was a disappointment, Mr. A and Mr. B finally mortgaged their homes and were able to put enough additional working capital into their company to permit it to expand its operations very considerably.

Short-term Solution

As a result of this capital shortage, the stockholders and their advisers felt that the lowest premium plan would have to do.

Mr. A and Mr. B, therefore, insured each other for $25,000, and I worked out with their lawyer the details of the buy-and-sell agreement.

The insurance purchased was 5-year term protection with the option of converting to permanent "cash value" insurance within four years.

Later Review

A year later, I reviewed with the two men the progress of their company, and they agreed that the term protection could be converted to some permanent plan.

"Since you are in favor of converting these policies," I pointed out, "you should consider carefully what kind of permanent insurance you need. Death is not the only eventuality you may face. There is every possibility that both of you will live to retirement age.

"Mr. B will reach 65 about 10 years before Mr. A and, if he retired at that time, Mr. A would be faced with many of the same problems as he would if Mr. B died."

Mr. A saw the point: "That's right—why, I might have a tough time to raise enough cash for even a good down payment on Mr. B's stock," he said.

"Exactly!" I replied. "What you really need is a plan with a substantial savings content, paid-up at age 65, which would build up good cash values by that time."

They saw the logic of this, and it was this type of plan to which the term policies were converted.

It would be possible, at Mr. B's retirement, for Mr. A to use the cash values in the policy he owned on Mr. B's life as a substantial payment against the purchase of B's stock, with the balance payable over a period of years at an agreed rate of interest.

At the same time, Mr. A would be able, under the provisions of their buy-and-sell agreement, to purchase the policy on his life held by Mr. B for a sum equivalent to its cash surrender value.

I also pointed out to the two men that should they decide to sell the business and both retire in, say 20 years, they would not only have had their insurance protection at no cost, but would be able, under the settlement options in their policies, to use the cash values in them to provide a good retirement income for life—income tax-free, except for the comparatively small portion deemed to be interest earnings.

At the same time, I made an estate analysis for both men, and urged them to have their wills revised to take into consideration the value of their business interests. This they did.

Since both estates would be liable for succession duties, another shining advantage of the business insurance emerged.

Cash needed by the estate to pay duties would be provided automatically in exchange for the company's common stock.

Personal policies for this purpose would increase the total dutiable estate, but the business insurance did not.

Most important, the business would not be jeopardized by desperation action on the part of the deceased's estate to find urgently needed money.

Further Progress

A year later, their construction company's net worth had risen to $90,000 and, in addition, they had installed a new plant, worth $110,000, to produce the raw materials they used in their business.

Accordingly, they saw the need to increase their insurance coverage, and took out an additional $75,000 of 5-year term protection on each other in order to bring their business insurance up to date.

Due to the savings effected in their over-all operation through producing their own raw materials, they were recently able to convert this term insurance sooner than they had anticipated, and they chose the same high cash-value type of policy as they did with the first $50,000.

Their buy-sell agreement valuations, estate analysis and wills have been brought up to date with their current situation.

Sense of Security

This solution to a common small business problem permits those two men to rest secure in the knowledge that, live or die, everything will turn out all right for themselves and their families.

To sum up what had been accomplished through life insurance:

- Settlement of ownership of the business for the survivor, should one shareholder die prematurely.
- Immediate receipt by the estate of the deceased of a fair purchase price **in cash** for the inherited common stock interest.
- Effective solution to the succession duty problem.
- A source of cash to purchase the shares of one shareholder who may wish to retire before the other.
- An increasing fund which at retirement will be substantially in excess of total premiums paid and which can provide a handsome income for life.
- Good credit standing—both business and personal.

How Much?

I can hear readers making the mental comment — "The outlay to guarantee all these things must be exorbitantly high!"

Not so. All these benefits have been accomplished at an annual outlay of approximately half the current bank loan interest rate on the total amount of insurance.

Add to the pleasure of your overseas voyage with famous Canadian Pacific service and hospitality. The White Empress fleet is world-famous for wonderful meals and shipboard luxury—spacious staterooms and public rooms—and outstanding atmosphere and entertainment.

Book now for that Trans-Atlantic trip you've always wanted. First class from $227; Tourist from $162.

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†Calls at Greenock

SEE YOUR TRAVEL AGENT, or any Canadian Pacific office.

Canadian Pacific

Company Report

Pulp and Paper

EDDY PAPER CO., Hull, Que., consolidated net profit of $2,078,873 for 1957 was 14.4% higher than 1956's $1,817,062.

Earnings were reasonably well maintained in view of the leveling off in the national economy, and trend to lower corporate profits, especially in the pulp and paper and building products industries, says President R. F. Caldwell.

Capacity has risen faster than market demand, intensifying competition and demands for higher standards of product quality.

Increased costs have created increasing pressure for production efficency in manufacturing, converting and woodlands operations.

Any significant increase in labor costs would have serious effects on the industry company says.

Owing to higher provincial taxes resulting from use of 1951 appraisal values, company reverted to its former practice of reporting property values on the actual cost basis. This reduced value shown for fixed assets.

Business is expected to continue at about the same level in 1958. Activity is higher in building products but newsprint volume may fall off.

Completion of Eddy No. 4 paper machine will occur too late in year to have any effect on volume.

Increase in bond interest reflects the inclusion for first time full year's interest on bonds delivered in mid-1956 by **Sidney Roofing & Paper Co.**

Capital expenditures included $6,261,015 by the Sidney group and $3,171,179 by the Eddy company.

Sidney spent $5.9 million on its major relocation project. This includes completion of the new paperboard mill, which began operation in November, and the near completion of a roofing plant warehouse and administration building.

In addition, a $150,000 warehouse was constructed in Mimico, Ont., to provide better service to eastern customers served by **Bishop Asphalt Papers Ltd.**

Company spent $1.6 million for site preparation building construction and payments on new Yankee paper machine.

Capital expenditures for 1958 amount to $8.9 million. Sidney will spend approximately $2.2 million plus a further $1.9 million for Burnaby, B.C., relocation and expansion project. Eddy will spend $3.7 million on the Yankee machine, $1.1 million on additional pulp and steam capacity, plus $1.9 million to plant improvements and development

Outlook for 1958 does not indicate any improvement in business over previous two years.

CONS. INCOME ACCOUNT		
Years Ended Dec. 31:	1957	1956
	$	$
Net sales	45,275,352	45,468,917
Net earnings	6,874,039	7,085,675
Less: Depr & depl.	2,055,604	2,385,167
Bond interest	962,132	827,636
Income taxes	1,793,700	1,749,200
Minority interest	83,730	106,610
Net profit	2,078,873	1,817,062
Less: Cl. A divds	137,786	200,000
Common divds	393,323	......
Surplus	1,547,764	1,617,062

Note—For tax purposes the co. claimed additional depreciation in excess of the amount shown in the accounts thereby reducing taxes.

	1957	1956
Times Bond Interest Earned:		
Before deprec.	7.97	8.56
After deprec.	5.50	5.44
Earnings per Share and Dividend Record:		
Class A	$19.72	$9.09
Paid	1.00	1.00
Common	6.59	8.09
Paid	*1.50	....

*Initial divd. of 37½ cents paid Mar. 15, 1957.

	1957	1956
Shares o/s at Dec. 31:		
Class A, $20 par	105,404	200,000
Common, n.p.v.	294,596	200,000

CONDENSED CONS. BALANCE SHEET		
As at Dec. 31:	1957	1956
Cash & treas. bills	$35,635	$91,696
Accts. rec. less res.	5,547,154	5,665,455
Notes rec.	......	2,850,000
Inventories	11,506,933	11,153,314
Total curr. assets	17,089,722	19,760,465
Prep. exp.§	598,141	574,443
Invest.	197,015	217,015
Fixed assets‡	34,665,243	44,309,855
Total assets	52,550,121	64,861,778
Bk. loan & o'draft	4,547,973	1,007,636
Accts. & notes pay.	3,984,162	4,197,256
Taxes pay.	660,562	1,140,819
S.f. payt.	625,000	375,000
Total curr. liab.	9,817,697	6,720,711
Fund. debt of sub.	20,375,000	21,000,000
Minority int.	384,522	1,219,367
Deferred inc. tax	2,005,552	628,862
Capital stock	8,000,000	8,000,000
Capital surplus	......	17,512,446
Earned surplus	11,967,350	9,780,392
‡After deprec. of	24,994,145	25,730,066
§Included in curr. assets in co.'s report.		
Working capital	7,272,025	13,039,754

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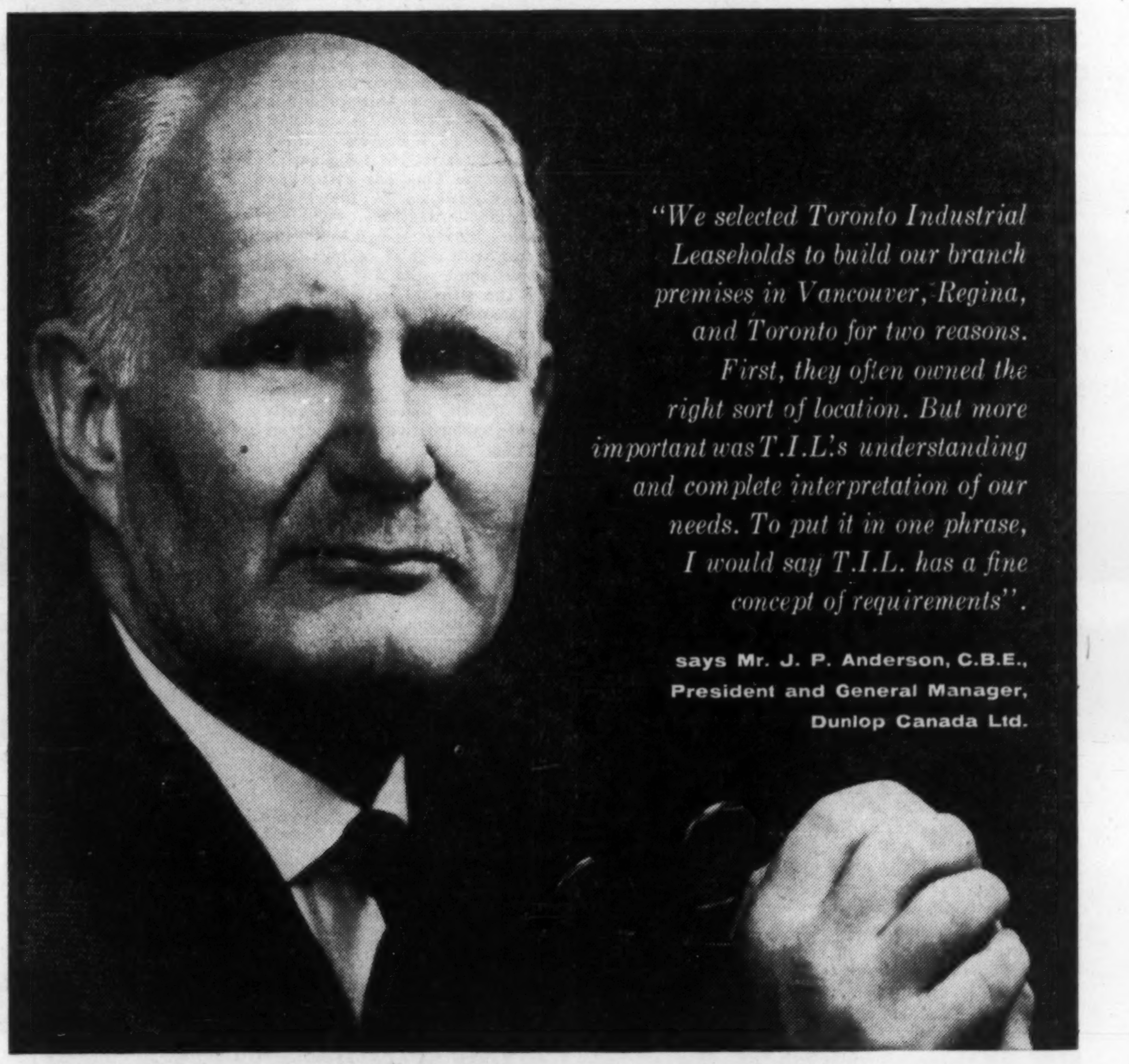


"We selected Toronto Industrial Leaseholds to build our branch premises in Vancouver, Regina, and Toronto for two reasons. First, they often owned the right sort of location. But more important was T.I.L.'s understanding and complete interpretation of our needs. To put it in one phrase, I would say T.I.L. has a fine concept of requirements".

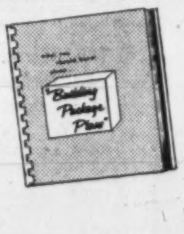
says Mr. J. P. Anderson, C.B.E., President and General Manager, Dunlop Canada Ltd.

When industry expands in Canada, it calls in

TORONTO
INDUSTRIAL LEASEHOLDS (1957) LTD.

AN AFFILIATE OF WEBB & KNAPP (CANADA) LTD.

Head Office Toronto, 12 Sheppard St. • Offices in Vancouver and Montreal



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Company Reports

Pulp and Paper

DONOHUE BROS. LTD., Quebec, Que., consolidated net profit of $872,720 for 1957 was 7.3% lower than 1956's $940,715.

Decrease in profit is the result of higher wages, increased freight rates and discount on U. S. funds. These were only partly offset by increase of $4 (U. S. funds) per ton in selling price of newsprint which came into effect March 1, 1957, company says.

Despite curtailment of operations in December, newsprint production was approximately the same as in 1956.

Groundwood pulp sales declined from 12,219 tons to 7,029 tons.

Although company's newsprint production and sales in 1958 will be affected by anticipated general curtailment in the Canadian newsprint industry, they are expected to be greater as a result of the operation of a third machine in the second half of year.

Company's newsprint capacity is to be increased 40% through addition of a used newsprint machine now being installed in a recently completed new building. This additional machine with 30,000 tons per annum capacity is expected to be in operation on July 1, 1958. Long-term contractual arrangements have been concluded for sale of this machine's production.

Cost of this addition is estimated at $3.3 million which has been obtained from sale of $1.5 million 5% first mortgage bonds and $1 million 5½% serial notes, and $600,000 from company funds. Balance of $200,000 will be paid in four equal installments beginning in 1959.

In 1957 the 300,000 npv shares of capital stock were subdivided into 600,000 shares of the par value of $3 1/3 each.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Net earnings	$2,118,912	$2,286,535
Less: Deprec.	254,998	288,954
Funded debt int.	238,500	197,606
Income tax	752,694	839,260
Net profit	872,720	940,715
Less: Divds.	450,000	450,000
Surplus for year	422,720	490,715
Times Interest Earned:		
Before deprec.	8.88	11.47
After deprec.	7.82	10.01
Earnings per Share and Dividend Record:		
Common	....	$3.14
Paid	$0.30	1.20+0.30
Shs. o/s at Dec. 31:		
Common, n.p.v.	....	300,000
New com. $3⅓ par	600,000	....
New common	*1.45	....
Paid	0.45+0.15	....

*Stk. split 2-for-1, April, 1957.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$895,235	$1,259,846
Govt. bonds†	1,782,506	2,002,073
Accts. rec.	768,091	898,063
Inventories	2,873,826	2,521,898
C.s.v., life insur.	53,803	50,723
Total curr. assets	6,373,461	6,732,603
Misc. assets	90,916	96,874
Exp. program dep.	2,654,644	505,510
Fixed assets*	6,626,799	6,063,788
Total assets	15,745,820	13,398,775
Accts. & tax. pay.	1,065,812	1,170,081
Divd. pay.	90,000	90,000
S.f. pay. due	133,631	133,624
Adv. re pulp sls.	259,195	341,102
Total curr. liabs.	1,548,638	1,734,807
Bal. due on tim. lim.	611,900	718,600
Capital stock	2,000,000	2,000,000
Funded debt	4,770,000	3,450,000
5½% notes, unsec.	1,000,000	....
Earned surplus	5,815,282	5,495,368
†Mkt. value	....	1,963,585
*After depr. of	5,095,933	4,846,331
Working capital	4,824,823	4,997,796

PRICE BROS. CO., Quebec, Que., consolidated net profit of $6,576,699 for 1957 was 27% lower than 1956's $9,006,939.

Reduction in net profit resulted from increased manufacturing costs, higher freight rates and the adverse effect of discount on U. S. funds, in which currency most of company's products are sold, says President A. C. Price.

The 70,000 hp. Murdock-Willson power development was completed on schedule at a satisfactory cost. Company now has sufficient power available to take care of its requirements for some years ahead.

Newsprint and board mills operated maximum capacity due to shortage of orders. Sawmills operated normally throughout season. Shipments included 463,284 tons of newsprint, 30,549 tons of box board and 35,757,000 bd. ft. of lumber compared with 478,588 tons of newsprint, 34,356 tons of box board and 46,499 bd. ft. of lumber in 1956.

Reduced sales of lumber and curtailed production in board and newsprint mills have increased inventories of lumber and pulpwood.

Limits assigned to company in compensation for those transferred to others at request of provincial government have not been completely located, but this will be done in due course.

Long-term upward trend of newsprint consumption, indicates that excess capacity in industry should be absorbed within a few years.

Lumber markets are weak.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1957 $	1956 $
Net earnings	16,450,371	20,335,129
Less: Deprec.	3,123,000	2,790,000
Depletion	305,000	315,000
Int. on bk. loan.	173,901	360
Int. on bonds	170,771	172,830
Income tax	6,101,000	8,050,000
Net profit	6,576,699	9,006,939
Less: Pref. divds.	200,000	200,000
Com. divds.	6,574,284	6,574,284
Surplus for year	♦197,585	2,232,655
♦Deficit.		
Times Bond Interest Earned:‡		
Before depr., depl.	95.31	117.66
After depr., depl.	75.24	99.69
‡After interest on bank loan.		
Earnings per Share and Dividend Record:		
Preferred	$131.53	$130.14
Paid	4.00	4.00
Common (new)	2.91	4.02
Paid & pay.	3.00	3.00
♦Payable Feb. 1 of year following.		
Shares o/s at Dec. 31:		
4% pref., $100 par	50,000	50,000
Common, n.p.v.	2,191,428	2,191,428

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$339,545	$1,461,496
Accts. rec. less res.	4,801,989	5,795,928
Secs., cost†	20,018,966	22,498,992
Inventories	26,453,045	25,577,048
Tot. curr. assets.	51,613,545	55,333,464
Invests.	1,169,218	1,180,118
Misc. assets	680,673	886,919
Fixed assets*	53,023,647	48,830,527
Total assets	106,487,083	106,231,028
Loans, sec.	3,930,000	....
Accts. & tax pay.	7,054,992	10,305,035
Other curr. liab.	1,757,731	1,757,844
Total curr. liab.	12,742,723	12,062,879
Contingency res.	4,000,000	4,000,000
Funded debt	5,696,500	5,935,000
Capital stock	26,803,780	26,803,780
Capital surplus	17,437,555	17,425,259
Earned surplus	39,806,525	40,044,110
*After deprec. & deplet. of	60,111,001	56,695,096
†Market value	20,966,883	26,481,762
‡At market value.		
Working capital	38,870,822	43,270,585

ANNOUNCEMENT

PRINCIPALS IN NEW INVESTMENT FIRM

F. R. GRAHAM, JR.

ANDREW ARMSTRONG

F. R. Graham, Jr., Chairman, and Andrew Armstrong, President, announce the formation of Graham, Armstrong Securities Ltd., members of the Investment Dealers' Association of Canada, with offices at 437 St. James St. W., Montreal.

Mr. Graham is a senior partner of Graham & Co., members of the Montreal and Canadian Stock Exchanges. Mr. Armstrong was formerly associated with Royal Securities Corporation Limited as Manager of the Trading Department and as a partner in Royal Securities Company.

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POST TRAVEL BUREAU

Where to go—how to go—where to stay

Go West to the East For Something 'New'

New ways to 'discover' lands across the broad Pacific . . .

By BEATRICE RIDDELL

Go west to the East for a holiday that's really different.

Discover the mysterious charms of the Orient and the enchantment of the South Seas.

The Pacific is luring more tourists than ever before. For years, western Canadians have been flocking to Hawaii and even farther afield.

But now Canadians from coast to coast are traveling all over the Pacific.

Fast planes have shrunk the time dimension of this vast area of 60 million sq. miles.

Soon it will only take nine hours to fly to Tokyo from Vancouver. At present the 5,000-mile flight takes anything from 14 to 18 hours.

Modern luxury ships are opening up routes for those who have time for a leisurely voyage.

There is much to see and do. In the north Pacific lands there are countless unfamiliar sights and sounds.

Crossing the Equator, the South Pacific has magnificant climate and scenery.

For the sportsman there are world-famous fishing grounds off Fiji and New Zealand. In the Australian mountains you can ski from June to September when it is winter "down under."

Even in the sister Commonwealth countries of Australia and New Zealand, there is much that is "foreign" and exciting to Canadians.

An important stimulus to travel in this fascinating half of the world is the increase of ship cruises, luxury voyages and package air tours.

In addition to round-the-world cruises, there were two special Pacific tours this winter by **Norwegian America Line's** Bergensfjord and **Swedish American's** Kungsholm. Next year more cruises are planned.

Matson Line has regular cruise sailings in the South Pacific. **American President Lines** serves the whole Pacific area with regular sailings from west coast ports.

The **Orient Line** and **P. & O. Steamship Co.**, which have had extensive routes in the Pacific for many years, have new luxury liners under construction.

A joint service, called **Orient & Pacific Lines** has recently been created to increase service in the North Pacific.

In April the luxury liner Himalaya will start this service linking Vancouver and U. S. west coast ports with Honolulu, Japan, Hong Kong and the Philippines.

In the South Pacific, P. & O. will integrate its service with existing Orient Line routes between North America, New Zealand and Australia.

Cruise rates start at about $1,000 for ten days from Vancouver or San Francisco. On non-cruise sailings, average fare to Australia is $800 one way first class; $450 tourist. To Japan — $1,100 and $500.

Airline package tours (which include accommodation, meals, sightseeing) have been successful in introducing western travelers to the unfamiliar world of the Pacific.

Canadian Pacific Airlines now have conducted 22-day summer tours. Starting in May, tours will leave Vancouver the last Sunday of the month until October and take visitors to Japan, Hong Kong, Macao and Thailand.

These tours end in Bangkok and travelers may return home by a choice of different routes using services of other airlines at no extra cost. Tour prices from Vancouver range from $2,000 to $2,445.

Pan American has three extensive independent tours operating all year. The 30-day holidays, each with different itineraries, include visits to Fiji, Hawaii, Samoa, Tahiti, Moorea and New Zealand. Cost from the west coast: $1,912 to $2,135.

Quantas, the Australian air line, in co-operation with **Tasman Empire Air Lines** and **Northwest Orient Airlines**, plans ten conducted tours between June 1958 and October 1959. The basic 55-day holiday can be extended to 76 days or shortened to 21 days. Cost for 55 days: From $2,998.

BOAC with **Qantas** and **Teal** airlines have a tempting series of air and air-sea independent cruises in the Pacific. Ship travel is provided by American President and Matson Lines. Typical 31-day combined sea-air tour of the Orient costs $1,962 from the West coast. A 23-day vacation to Australasia costs $1,485.

Japan Air Lines has a year-round independent tour of Japan, Hong Kong, Macao and Thailand. Leaving from San Francisco, the 18-day trip costs from $1,680 to $2,150. A variety of domestic tours are also offered by the Japanese national carrier.

In co-operation with Northwest Orient Airlines and Pan American, JAL will have a special photographers' tour of the Orient leaving April 8, returning May 19. Fare: $2,385.

New Airline To Bermuda

A new airline—**Eagle Airways (Bermuda) Ltd.**, — will start service between Bermuda and North America May 1.

Initial service will be seven weekly flights to and from New York. Flights between Montreal and Bermuda are expected to start later this year.

Planes to be used on these popular routes are Viscount 805s —largest and fastest of the Vickers series of turbo-prop aircraft.

It is proposed to start with an interior allotment of 40 tourist class and 12 first class seats.

Heading the new company is Harold Bemberg. Bermuda manager in charge of both traffic and sales is Al Wagstaff.

Travel Briefs

Jasper Park Lodge, famous Rocky Mountain resort operated by **Canadian National Railways**, will be open from June 11 to Sept. 15 this year. Advance reservations for regular guests as well as convention groups are well ahead of previous years, according to CNR officials. The 28th Annual Totem Pole Golf Tournament (important North American golfing event) is to be held at the Lodge's championship course from Aug. 31 to Sept. 6.

• • •

Nova Scotia's annual resort management course — designed to assist operators in dealing with problems of hotel management—will be held at Halifax next week. Special speaker will be Dr. Robert A. Beck, associate professor of hotel administration at Cornell University.

• • •

Direct air service between Saskatoon and Calgary will be introduced by **TCA** June 1. The airline plans to incorporate this service as part of a third transcontinental flight operating east to west daily on a round trip basis.

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From New York—Apr. 2, May 12*, June 18
Lisbon • Gibraltar • Barcelona • Naples • Palermo • Patras • Venice • Trieste

VULCANIA—From Halifax—Apr. 12††, May 24†††
From New York—Apr. 16††, May 28†††
Ponta Delgada • Lisbon • Gibraltar • Barcelona • Palermo • Naples • Patras • Venice • Trieste

CRISTOFORO COLOMBO—From New York—Mar. 26, Apr. 23, May 17, June 9
Gibraltar • Naples • Cannes • Genoa

GIULIO CESARE—From New York—Apr. 8**, May 6***, June 5†
Lisbon • Gibraltar • Palermo • Naples • Cannes • Genoa

AUGUSTUS—From New York—May 23, June 24*
Gibraltar • Barcelona • Naples • Cannes • Genoa

and regularly thereafter

* Omits Barcelona
** Omits Palermo
*** Omits Lisbon
† Omits Lisbon, Palermo
†† From Boston, Apr. 17 — Omits Barcelona
††† Omits Ponta Delgada

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STATENDAM (New) Apr. 29, May 30
MAASDAM Mar. 19, Apr. 19†
RYNDAM Apr. 5, May 1†
WESTERDAM° Mar. 15, Apr. 12
NOORDAM° Mar. 29, Apr. 26

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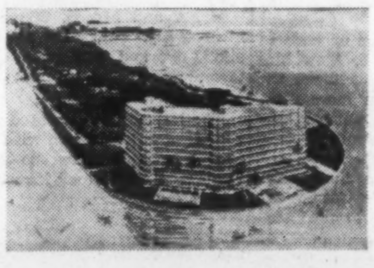

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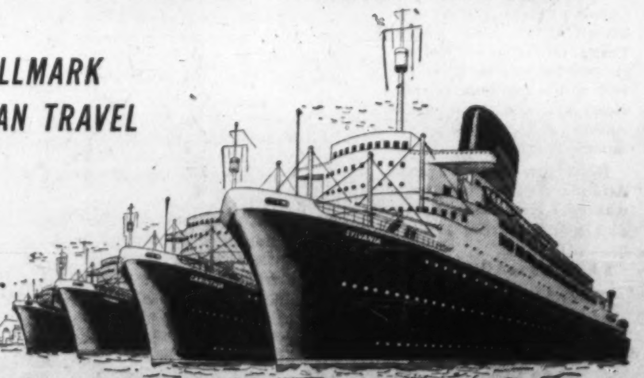

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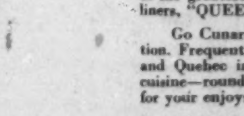

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ANNOUNCEMENT

RE-JOINS YOUNG & RUBICAM

W. HAROLD POOLE

whose appointment as Head, Marketing Services Department at Young & Rubicam, Ltd., Toronto, is announced by Trevor G. Goodman, vice-president and manager. He will co-ordinate and centralize the work of the Research Department and the Merchandising Department. Both research and merchandising services have been available to Y & R clients for many years and the co-ordination of the functions of the two departments under Mr. Poole is an expansion of marketing services for the agency's clients.

Mr. Poole brings to his new position at Y & R a broad background of experience in both academic and business life. A former lecturer in economics at the University of Alberta, Mr. Poole was subsequently appointed professor of economics at the University of Manitoba and later professor of Commerce at Queen's University. In business he was manager of the Research department of Cockfield, Brown & Company; supervisor of research at Young & Rubicam, Ltd.; and recently vice-president of Canadian Economic Research Associates. Mr. Poole returned to Young & Rubicam to assume his new duties at the beginning of the year.

NEW STONE PLANT

From Our Own Correspondent

SAINT JOHN—Officials of suburban Simonds Parish are negotiating with **Angel Stone Co.** for location in the parish of a dressed stone plant. The plant would cost about $250,000 and employ 90.

Your Taxes

An exclusive FP column of comment on the trends in personal and business taxation.

By JOHN G. McDONALD, L.L.M.

Developer Taxed On Topsoil Sale

One of the basic rules of Canadian income tax law is that "when an emolument accrues by virtue of some service rendered by way of action or permission or both," the emolument is taxable profit.

This rule has been applied in cases involving fees paid for loan guarantees and casual receipts collateral to the taxpayer's principal business.

An example of the latter situation is furnished by the decision of the Income Tax Appeal Board last week in **Valley View Subdivision Ltd. v. Minister of National Revenue.**

In that case the taxpayer was required, under township regulations, to strip the topsoil from all road allowances within a subdivision under construction in order to provide a solid roadbed.

By a stroke of good fortune the taxpayer found a buyer for the topsoil removed, and received an unanticipated gain of $11,000 from this source.

The board upheld taxation of this sum on two grounds. First, the taxpayer acquired the subdivision lands as stock in trade and the topsoil was part of that stock in trade; and secondly, the topsoil transaction was an adventure in the nature of trade "notwithstanding the 'windfall' character of the profit."

Builder May Deduct Mortgage Discount

Speculative builders of residential housing in recent years have often found it necessary to take back second mortgages as part of the purchase price of their houses.

Because a second mortgage of this type is usually worth much less than its face value, the builders have been concerned with the proper value to be used in computing taxable income from the trade.

The Income Tax Appeal Board held last year in **No. 378 v. Minister of National Revenue** that a mortgage could be taken into income at **current market value**—thus bringing a builder's income into line with the actual value of what he received from his product.

Case **No. 378** has now been reversed by the Exchequer Court in **Burns v. Minister of National Revenue** on the ground that the board had misinterpreted the section of the Income Tax Act upon which the earlier decision was based.

This does not mean, however, that a builder must pay tax upon the full face value of a second mortgage received on the sale of a house.

Another section permits the deduction from the face value of the mortgage of a reasonable amount as a reserve.

The reserve permitted is "that which can reasonably be regarded as a portion of the profit from the sale, and does not relate in any way to a proportion or percentage of the gross amount of the receivables or to the value of the receivables."

The reserve is deductible only if the builder files his income tax returns on the "accrual basis"—that is to say, he reports his accounts receivable as income and deducts his accounts payable.

Agency Write-Off Still Not Settled

In the recent case of **Kirby Maurice Co. Ltd. v. Minister of National Revenue** the Exchequer Court assumed—but did not decide—that an exclusive right to sell manufactured goods is a depreciable franchise.

The question therefore remains open.

In the Kirby case it was found as a fact that the franchise in question was not "for a limited period." The court therefore held that the price assigned to it by the company was not a depreciable capital cost under the income tax regulations.

Under the regulations a taxpayer may amortize the cost of "a patent, franchise, concession or license for a limited period in respect of property" over the life of the right. If a franchise or license is for an indefinite term, no part of its cost is deductible for tax purposes.

Husband Must Pay On Wife's Income

Back in 1944 George H. Bethune gave his wife a house for which he had paid $3,800. Mrs. Bethune sold the property in 1952 for $11,000 and invested the proceeds of sale in a mortgage and corporate securities.

The Exchequer Court has now ruled, sustaining a board decision, that income received by Mrs. Bethune from her investments was properly taxed as income of her husband.

The decision is based upon a provision of the Income Tax Act under which income from property transferred by one spouse to the other is taxable to the transferor.

The word "transfer" includes a gift or even a sale for value, and the income is taxed to the transferor even if it is derived from property substituted or resubstituted for the original property.

The section also applies where property is transferred by a taxpayer to a person who subsequently becomes his or her spouse.

The object of the section is to prevent family income splitting designed to take advantage of lower rates of tax.

Kodak Employees Split $817,000

Canadian Kodak Co. this week shared a wage dividend of $817,000 with 1,400 employees.

It is the largest payment Kodak has made since the dividend plan was inaugurated in 1912.

Eligible employees (those who started on or before Dec. 1, 1957, and working at year-end) received $32 for each $1,000 earned during the years 1953-57.

A year ago Kodak split $738,000 at the rate of $31.75 per $1,000 earned over a five-year period.

Record Municipal Budget Favors Metro Montreal

MONTREAL (Staff) — Montrealers this week are contemplating what many regard as a $145 million argument in favor of metropolitan government.

That's a record municipal budget for City of Montreal. Some $116 million of the $145 million total is slated for municipal purposes, the remainder for school commissions.

Feeling is that next year will see a further boost.

Adoption of the budget almost certainly will stir renewed discussion of possible economies in metro government covering all or part of Montreal Island.

Many Montrealers feel the city is directly and indirectly providing services for suburbanites for which it gets no compensation.

With municipal expenses apparently on an inevitable upswing, feeling in favor of metro government is likely to strengthen in Montreal. Provincial government is expected to introduce metro legislation at the next session of the Legislature.

Also: There is a strong undercurrent favoring more aid from senior governments to meet Montreal's multi-million-dollar roadbuilding needs which become more pressing almost daily.

New Bond House Opens in Montreal

Graham, Armstrong Securities Ltd., has been formed in Montreal to deal in government, municipal, public utility and industrial securities. The new firm is a member of the Investment Dealers' Association of Canada.

Chairman of the new house is F. R. Graham, Jr., senior partner of **Graham & Co.**, members of the Montreal and Canadian Stock Exchanges. President is Andrew Armstrong, formerly associated with **Royal Securities Corp.** as manager of the trading department. Secretary - treasurer is Harry W. Andrews.

COUNTY OF VICTORIA, N.S., new issue of $198,000, 4¾% school debentures, one to 20 years, has been sold to **Dominion Securities Corp.** and **Royal Bank of Canada.** Price was 97.36 or net cost of 5.065%.

DISTRICT OF CLARE, N.S., new issue of $150,000, 5% school debentures, one to 20 years, has been sold to **Wood, Gundy & Co.**, and **Royal Bank of Canada.** Price was 98.50, net cost 5.177%.

Plan Montreal To St. John's Shipping

MONTREAL (Staff) — **Saguenay Shipping Ltd.** will inaugurate a direct shipping service from Montreal to St. John's, Newfoundland, this spring.

The service is scheduled to start April 24.

Two ships — SS Sunprince and SS Sundial, both of 4,700 dw tons and fitted out with heavy lift gear and special locker space — have been allocated to the run.

Company has made application to the country's railroads to establish through rates from major Canadian centres.

Cargoes for Newfoundland will be received at Saguenay's regular berths in Montreal harbor.

The service itself was inaugurated following withdrawal of **Constantine Line** this season.

Sag Ships formerly acted as agents for Constantine Line on this service.

JAMAICA SERVICE

Grace Line, New York and Toronto, will begin a weekly passenger-cargo service March 26 from Kingston, Jamaica, to Baltimore and New York, using three 8,000-to-9,000-ton ships.

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LATEST REPORT

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CANADIAN INVESTMENT FUND

CALVIN BULLOCK Ltd.

Who's Next on Block In Airline Struggle?

MONTREAL (Staff)—Gloom lay thickly this week over the independent airlines.

Dorval Air Transport is now officially in receivership, inspectors having been appointed. It is continuing operations for the time being.

But airmen were frankly wondering who would be next on the block.

Dorval ran into trouble sooner than its opposition. But all indications are that a number of other carriers are flying exactly the same course.

These have been the troublemakers for the lines:

- **A gradual reduction in tariffs** for northern flying that now produces a flat average rate of $2 per mile—not per ton-mile.

While adequate under conditions of high pressure operation it is not enough when flying on a once-in-a-while basis.

- **Some operators were blinded** by their own claims. The new era of the north promised so much, so quickly.

For two years the northern Arctic coast was alive with men and planes. Now it is almost as quiet as before.

The vast majority of resupply work is carried out by sea during the summer.

- **Most of today's airfleets** were picked up in the early 1950s when old and battered war surplus transports were commanding fantastic prices.

As a result the cost per plane of these fleets was out of all proportion to their true value. Most Canadian operators bought at the top and may now have to sell at the bottom.

Dorval's equipment today is of little value because buyers are few. Its DC-4 was on lease. One C-46 was on a lease-purchase arrangement. Three more C-46s and a Canso flying boat are owned outright.

Three years ago they represented an asset as valuable as cash in the bank—more valuable really. A Canadian operator who had a plane that could carry freight north was in business.

Few of the lines that grew up then had the advantage of sound business planning behind them. But in each case the planes were first class collateral—although often the only actual assets the lines could show.

Now that has changed. Almost overnight the fleets have had their value cut by as much as 75% as demand waned.

In U. S.: Plenty of Business But No Profits 'Kill' Slick

By R. W. McRae

The cargo-carrying used-plane market was further devalued recently by the surprising news that big **Slick Airways Inc.** in the U. S.—a 12-year pioneer in air freight—was getting out of the common carrier air freight business (**FP**, March 8).

Its plan is to sell $20 million worth of planes.

The decision was made known in a terse bulletin sent recently to shareholders. It affects U. S. and Canadian shareholders as well as Canadian carriers.

How did it happen?

Company head D. W. Rentzel, has this to say:

"The immediate reason for the decision was an estimated loss for all operations in the month of January of $473,000.

"Operations in 1957, leaving aside profits from sale of aircraft, had produced an estimated loss of over $2.5 million.

"Under these circumstances, it is perfectly clear that the company can no longer continue to incur the losses which the common carrier operation generates, which in 1957 amounted to approximately $3.6 million."

Sell or Lease

"We will seek to realize whatever income or profit can be made from our fleet of aircraft either through sale or lease."

It looks like the end of a boisterous era.

Post-war, in the U. S., the supposed profit potential in air freight brought a flood of incorporations aimed at tapping the market.

More than 30 firms actually got into the air. War surplus transports plus service-trained pilots were readily available.

But the profits just were not there.

By 1953, consolidations and bankruptcies had pretty well eliminated all domestic transcontinental air freight carriers save two, Slick Airways and **The Flying Tiger Line, Inc.**

Millions had gone down the drain, and millions more were going. Each year of operation, the flying freighters upped their ton-mile totals. But the more they carried the more money they lost.

They were competing with established passenger-mail-express trunk lines like American, which was busily boosting its own air freight totals, but on a by-product basis.

Lines like **American Airlines** set the pace. Rates kept being pushed down by competition. Costs did not.

Both firms have been grossing in excess of $20 million annually. However, neither firm has ever obtained as much as half its revenue from domestic common freight carriage of air freight.

Granted, they have been hauling over 50 million ton miles of freight on domestic common carriage each year.

Aircraft Sales

Sales of no-longer-needed aircraft, as new ships were delivered, brought non-operating profits to both firms. Flying Tigers gained $3,070,668 in 1956 and $716,005 in 1957 from sale of aircraft, over and above book value, and after allowance for taxes.

Of course, as in Canada, it worked both ways.

In 1956, Slick bought three factory-new DC-6A cargo transports from Britain's **Airwork, Ltd.** The latter firm was in process of pulling out of the trans-Atlantic air freight business due to losses incurred, plus dollar shortage.

Slick paid $1,800,000 per aircraft. This was a bonus of over $600,000 per machine; paid to get immediate delivery rather than wait the then-required two year period enforced by factory back-log.

No Bonuses

Nobody's paying a bonus for quick delivery of cargo transport aircraft today.

Military transportation and servicing money sources are drying up.

Says Slick's Rentzel, "In the past, Slick Airways has supported its common carrier operation by substantial revenue from outside sources.

"The business which our engine overhaul shop in San Antonio engaged in has now pretty well ceased to exist.

"The sale of aircraft at a profit, which has sustained the company over slack periods in the past, has become more difficult as the aviation depression which has gripped the industry depressed aircraft values.

"Military charter operations which were a substantial source of revenue for the company have virtually disappeared."

Common carriage of air freight by the U. S. all-cargo carriers is finally being called upon to stand upon its own two feet. Only Flying Tigers remains in the transcontinental picture.

And Flying Tigers, in 1957, before credit for aircraft sales and consequent tax adjustments, lost $1,280,336.

New Airlift?

This trend in the U. S. is hurting Canadian lines. Not only by devaluing present equipment but by tending to make the U. S. carriers hungry enough to hunt down business wherever it can be found.

There was much ill feeling during the DEW line air lift that U. S. lines were getting work that was rightly Canadian.

The one white hope this spring is that missile bases will be constructed in the north along with existing defense installations.

If this comes Canadian operators want the business. But there will be enormous pressure in Washington for the U. S. lines to get a lion's share.

It could lead to some pretty hot collars both sides of the border.

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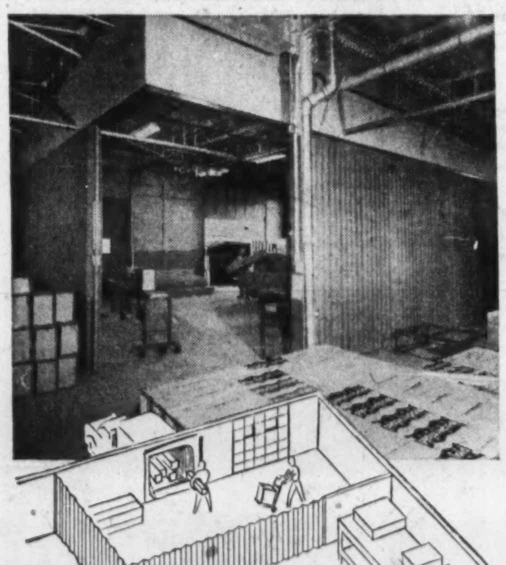

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Company Reports

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Oil

CANADIAN OIL COMPANIES LTD., Toronto, consolidated net profit of $4,010,511 for 1957 was 6.6% higher than 1956's $3,762,448.

The year was a record, says President W. H. Rea. Dollar sales rose 11% to $84.3 million. Oil reserves 83% to 33 million bbl. and land holdings 24% to 844,000 net acres.

Despite these records, the president says earnings were disappointing. A general decline in product prices with no change in crude oil costs, and higher wages, resulted in lower profits than anticipated at start of 1957.

Outstanding event was the discovery of the Innisfail field in Alberta. Company's share is estimated at 17 million bbl. Since **Anglo-Canadian Oil** was acquired in September, 1955, crude reserves have increased from 12 million bbl. to 33 million bbl. and undeveloped net acreage from 400,000 acres to 844,000 acres.

A major portion of 1958 drilling will be developing Innisfail (15 to 20 wells) and other 1957 discoveries.

At Dec. 31, 1957 interests were held in 209 producing oil wells and 13 capped gas wells.

The Sarnia refinery processed 9,494,000 bbl. of Canadian crude, 5% more than 1956. Results of the new platformer and Udex unit have exceeded expectations both in quality and profits. Record sales (392,287,000 gals. of all products) were 9% above 1956. A total of 150 new retail outlets were opened.

Capital expenditures were $13,512,000 and funded debt was reduced by $1,757,000.

Investments having market value of $5.5 million (cost $3,506,050) are not included in current assets.

In April, through an exchange of shares, company acquired **Interlake Fuel Oils Ltd.**, a distributor of fuel oils in the Niagara Peninsula.

Company's head office and southern Ontario marketing division moved into its new quarters on University Ave., Toronto.

In 1957, 118,407 common shares were issued for $2,306,634 cash. Of these 84,657 were through exercise of share warrants in conjunction with company debentures, 22,250 shares under employees stock purchase plan and 8,500 under options to officials. Also 71,679 shares were issued for shares of Interlake, of which 25,464 shares valued at $636,600 were for acquisition of the then existing company and 46,215 shares at a valuation of $1,256,020 were to provide working capital.

At Dec. 31, 1957 there were 315,000 warrants outstanding entitling holder to purchase common stock at specified prices. The warrants issued in 1953 expire March 31, 1959 and those issued in 1955 expire Oct. 15, 1958. Exercise of these warrants would further increase shareholders' investment by not less than $8 million.

Annual meeting is April 2.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
	$	$
Sales	84,317,617	76,171,198
Net income	16,940,933	15,419,325
Less: Deprec. res.	7,661,731	6,865,600
Int. & w/o fin. exp.	1,713,691	1,734,277
Inc. tax res.	2,655,000	3,057,000
Net profit	4,010,511	3,762,448
Less: Pref. divds.	450,000	450,000
Com. divds.	1,585,944	1,089,827
Surplus for year	1,974,567	2,222,621

Note — Additional depreciation was claimed for tax purposes in 1954 to 1957. Amount of tax thus deferred for 1957 is $850,000, 1956 is $780,000, for 1955 is $841,191 which may be payable in future periods.

	1957	1956
Times Fixed Charges Earned:		
Before deprec.	9.36	8.89
After deprec.	4.89	4.93
Earnings per Share and Dividend Record:		
Preferred	$50.13	$47.03
Paid (8%)	8.00	8.00
Paid (5%)	5.00	5.00
Paid (4%)	4.00	4.00
Common	1.70	1.80
Paid	0.80	0.60
Shares o/s as at Dec. 31:		
8% Pref., $100 par	20,000	20,000
5% Pref., $100 par	50,000	50,000
4% Pref., $100 par	10,000	10,000
Common, n.p.v.	2,029,316	1,839,230

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$2,244,984	$1,376,297
Accts. rec. less res.	11,651,078	10,622,381
Inventories	19,539,675	18,754,366
Total curr. assets	33,435,737	30,753,044
Investment*	3,506,050	3,225,845
Misc. assets	6,438,616	5,670,610
Fixed assets■	66,210,632	60,222,235
Total assets	109,591,035	99,871,834
Accts., etc., pay.	9,275,240	10,630,420
Notes pay.	4,000,000	......
S.f. payment	1,700,000	......
Taxes pay.	1,346,641	1,730,664
Total curr. liab.	16,321,881	12,361,084
Funded debt	39,190,500	40,947,000
Def. income tax	3,720,000	2,900,000
Mtge. pay. & def. liabs.	1,925,656	1,541,412
Deferred inc.	1,221,342	1,084,403
Capital stock	35,297,297	31,098,043
Surplus	11,914,359	9,939,792
■After deprec. of	29,652,923	24,759,056
*Mkt. value	5,500,000	8,000,000
Working capital	17,113,856	18,391,960

Food

BORDEN CO., Toronto, sales and net income in 1957 were greater than in 1956, it is reported in the U. S. parent company's annual report.

The Ingersoll, Ont., plant was enlarged to permit installation of new equipment to handle output of the Belmont, Ont., ice cream plant.

When the Belmont plant starts manufacturing this year, the existing plants at Toronto and Windsor will become distributing centres only.

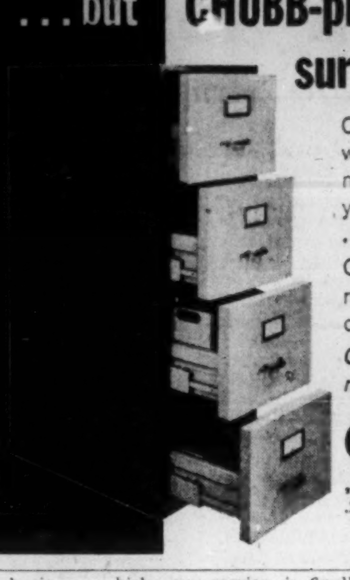
Construction began early in 1958 on a new plant to replace company's milk plant in Montreal.

A subsidiary, **Borden Chemical Co. (Canada)**, was formed "to accelerate what had been a small business in chemical products."

In a new 17,000 sq. ft. plant near Toronto, subsidiary is producing adhesives, coatings, textile and carpet backings, undercoating for cars, asphalt emulsions and compounds, and similar products.

BURNED RECORDS KILL 4 out of 10 BUSINESSES

. . . but



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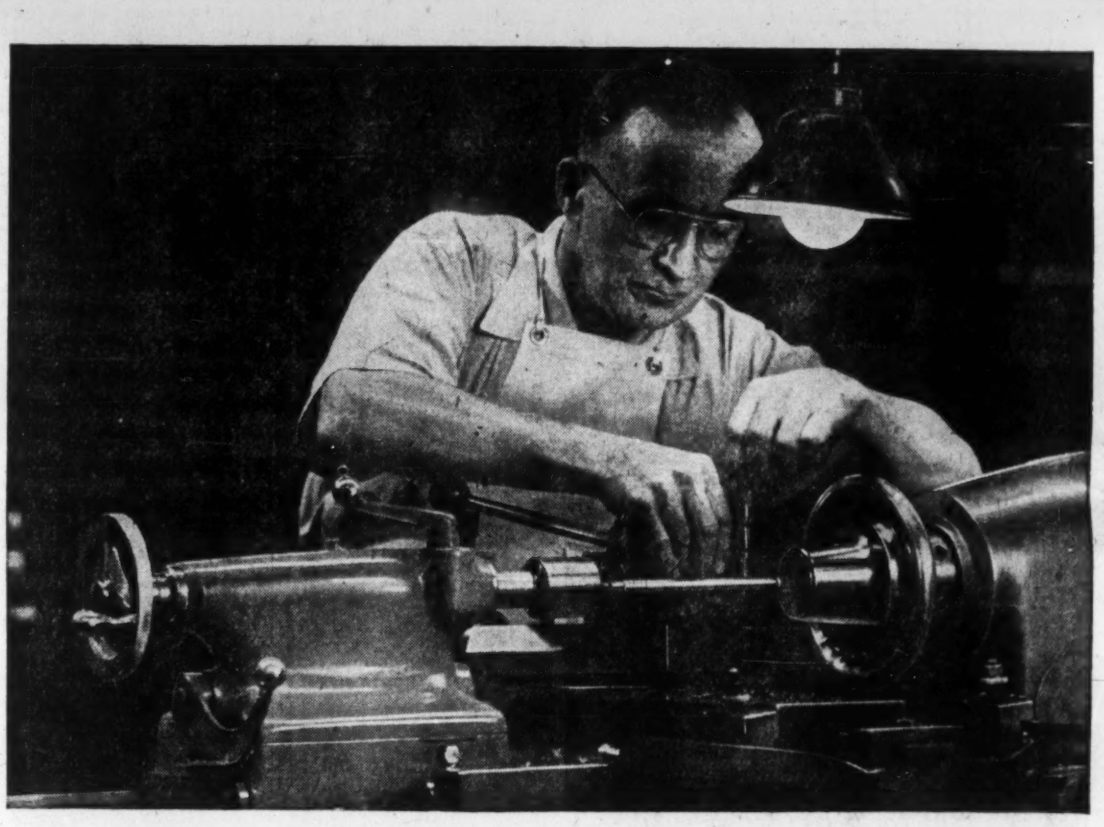

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Improved lighting increases the production rate of normal-eyesight workers by as much as 14%. With below-normal-eyesight workers, a 22% increase is possible and approximately 50% of all workers have under par vision. Despite this, a recent survey reveals that 85% of all commercial lighting is below the level recommended by the Canadian Standards Association. When correlated, these facts (taken from authoritative articles on lighting) lead to a very interesting conclusion:

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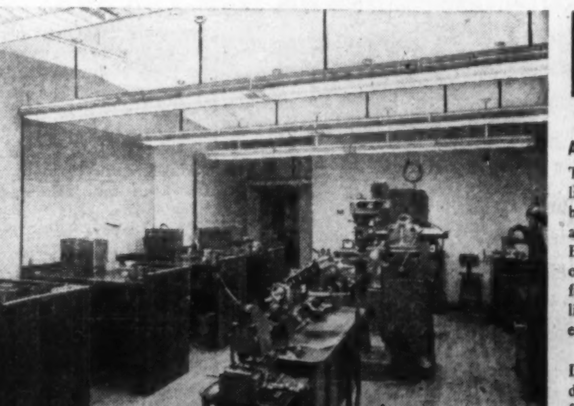
As the total cost of the very best lighting represents only approximately 0.5% of overall production costs, it is an extremely economical means of raising efficiency. When the benefits of greater safety, better health and improved morale are added, lighting becomes a factor in your operation which deserves the most serious consideration . . . equal in importance to labour relations, wage scales and collective employee benefits.



This bright, pleasant looking machine shop—equipped with 135 foot candle illumination—is a good example of what can be accomplished with top-grade fluorescent lighting.

STEADY IMPROVEMENTS IN G-E LAMPS ALSO GIVE YOUR WORKERS BETTER LIGHTING

Today, the G-E 40 watt Fluorescent Lamp delivers 30% more light than it did in 1950. This 30% improvement gives you a bonus of light which in terms of power cost is actually worth almost double the cost of the lamp itself. In addition, General Electric Fluorescent Lamps have an average life of 7500 hours or three full years of single shift operation. To get the most for your lighting dollar — from a production as well as a lighting standpoint — specify G-E Fluorescent Lamps for your establishment.

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Retailers Hope For Easter Sun

The weatherman holds the key to 'how much' . . .

How's the pre-Easter retai outlook shaping up across the nation?

Which lines are doing well which having trouble?

FP asked some correspondents for on-the-spot reports.

Here's the broad picture as they see it:

* * *

St. John's—Appliance dealers report slightly higher sales in January-February over same months last year.

In view of the large housing development getting underway, appliance dealers expect to register a gain of at least 10% for the year.

Although St. John's has its share of unemployed, it is expected that construction activity will absorb many of these.

Auto dealers enjoyed higher sales in January and February, mainly due to the mild weather which saw many people buy cars who otherwise would have postponed purchase until spring or summer. Consequently they expect a falling off in sales later in the year.

* * *

Charlottetown—Current forecast is at least a 10% increase over last year's pre-Easter sales for P.E.I.

Biggest factor in this rise will be the significant increase in farm produce now being felt. In the last month the price of potatoes rose $1 per bag. Prices of other farm products have also risen.

Another contributing factor to higher purchasing will be the family allowance and assistance cheques from the federal government.

* * *

Saint John—Sales have been holding at or near levels of last year, with the exception of auto sales. Some lines have been ahead.

General feeling is it would not take much to send retail sales shooting up.

Appliance sales have shown an upswing, including refrigerators, washers, driers and ranges.

Stimulus may be given by an early start on spring construction.

* * *

Halifax—Sales generally on a par with last year's pre-Easter volume. If this continues retailers will be happy, since last year's trade was considered good.

Last year many clothiers scored gains of 8% over year before. If they can equal the 1957 figure they will be pleased.

Appliances such as TV sets are selling at last year's volume, but stove sales are said to be down.

If the mild weather continues the Easter business should be satisfactory.

* * *

Montreal—Deep and frequent snowfalls had slowed the retail race in Quebec during February. Now retailers report signs of an upswing, with department store sales hurrying to take up the slack.

Clothiers are enthusiastic about the new fashions which are "different enough to make women want to get out and buy.".

Greatly increased home building is expected to beef up home appliance sales.

One group who will benefit from the recent heavy snowfall are the ski resorts. Good skiing is expected well into April.

* * *

Toronto — Expressing optimism about Easter business are the clothiers. Leading the way in the upward swing are women's and children's wear. Sales of men's clothing are also expected to maintain their lead over a year ago.

Local travel agents report Easter and summer bookings excellent.

Sales of hi-fi equipment, television and radios are beginning to pick up after being rather quiet during January and February.

The candy industry is particularly optimistic about the holiday. They mention a 10% gain over last Easter. Helping them will be the early date of Easter this year.

Sales of turkey, smoked meat and other food lines are expected to show a moderate increase.

* * *

Winnipeg—Despite recession talk and somewhat increased unemployment, Manitoba R.M.-A. reports the Easter sales outlook as "very good." Most retailers chalked up gains in January and February. Year to year increase is said to be around 5%.

Heavy pre-Easter buying, now being felt, is expected to reverse the trend in women's clothing sales. Men's and family clothing sales are already running above 1957 levels.

Appliance sales are also reported to be coming out of the winter doldrums. Auto dealers are hoping to reach last year's volume, despite lower sales for the first two months.

Reasons for Manitoba's generally favorable retail picture include mild weather and the fact that unemployment has not affected so many buyers as in some other centres.

Farm wheat payments have spurred increased purchasing.

* * *

Saskatoon — Outlook is for strong sales in women's clothing with increases of 10% to 15% over last year's pre-holiday period. Men's wear is expected to be good, but no increase from year ago.

Little upsurge is anticipated in sales of appliances or autos. Both hope to see sales on a par with last year.

Key factor in the situation will be the weather.

* * *

Edmonton—The keynote is optimism. The big "if" is the weather. An R.M.A. official reported that sales are continuing to improve. Although February volume did not stand up as well as hoped, 'March sales have been moving steadily to higher ground.

Clothiers are expecting a brisk season.

Some businesses reported total sales in February were ahead of a year ago. Others admitted they were surprised at the high sales volume in January.

* * *

Calgary—Sales are expected to be on a par with year ago. Some lines are likely to chalk up gains of around 5%.

Clothing sales are about the same as last year. However, some lines of men's winter apparel have picked up despite the unusually mild winter.

Some auto dealers blame the slack in their sales on the standstill in oil and gas development. Many firms which order their fleets at this time are standing pat. However, some makes are selling in higher volume.

Appliances are down as much as 5%, but sales of refrigerators are up as much as 8% in some stores.

114 Stocks Yield Averages 5.07%

The average yield on 114 dividend-paying stocks on the Toronto Stock Exchange, as compiled by **Moss, Lawson & Co.**, on the prices of March 17, was 5.07%, off .03 from the previous week. The current yield compares with 5.16% one month ago and 5.15% in the corresponding week last year.

Here is the yield by the various groups:

	Mar. 17 %	Week Ago %	Month Ago %	Year Ago %
Common	4.71	4.73	4.80	4.61
Pfd. & A	5.02	5.13	5.19	5.15
Mining	6.28	6.30	6.38	6.87
Banks	3.87	3.83	3.71	3.48

Manitoba Storekeeper Fine In Trading Stamp Test Case

From Our Own Correspondent

WINNIPEG—A St. Boniface merchant was fined $25 and costs last week in a closely-watched test case over the use of trading stamps.

Magistrate M. H. Garton ruled that Henri Leon Carriere had violated the Criminal Code provision against trading stamps by giving one stamp for each 10c of purchase in his store.

The stamps, when pasted on a certificate with space for 100, could be exchanged at the store for premiums.

The magistrate dismissed the case against Guy Reveault and Hippolyte Lautru, representing **Dominion Premium Novelties** of St. Boniface, who were charged with selling trading stamps.

Defence counsel in the Carriere case argued that the stamps were not trading stamps within the meaning of the Criminal Code.

The magistrate ruled against the defence contention that the words "St. Boniface, Manitoba" on the stamps indicated their place of delivery and made them legal.

He said this decription was too wide to be considered a place of delivery.

Crown Prosecutor C. W. Tupper said the scheme "represents a deliberate, calculated plan to evade the prohibition of trading stamps contained in the Criminal Code and to do indirectly what the Code prohibits doing directly."

Mr. Tupper said that section 322 of the Criminal Code was obviously designed to "permit retailers, wholesalers or manufacturers to give premiums and discounts with goods they actually sell or manufacture."

But the purpose was equally clear "to prevent the intervention of promoters who are not connected with the distributive process into the ordinary chain of distribution."

The "Primax" stamps were sold in books to Carriere at a price of $35 for the first book and $20 for succeeding books. Charges were laid last April.

INCREASE SALES

Rexall Drug Co. reports increased sales and earnings for 1957. Net sales were $167,567,195, an increase of $11,933,826. Net earnings were $1.45 per share. Rexall spent over $6,400,000 on major capital additions.

EXECUTIVE DEVELOPMENT SUMMER SCHOOL

May 26th to June 20th, 1958

Objectives —The program is designed to stimulate thinking in company-wide terms; to broaden the student's outlook on human relations in business organizations; and to enlarge his understanding of the issues facing business in the national and world economy.

Lectures —Members of the staff of the School of Commerce and visiting professors from Canadian and American universities.

Registration—Limited to 30 candidates.

For complete information write

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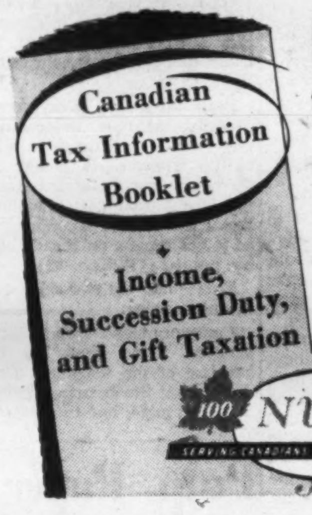

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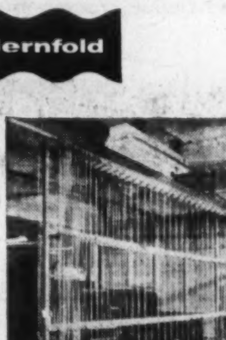

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19P

FIT WAGES TO AREA?

Regional Pay Spectre Haunts Railway Labor

It could hit purchasing power in the Maritimes . . .

MONTREAL (Staff) — An uninvited, invisible guest is sitting in on Canada's big rail labor dispute — and making everyone nervous.

It's a spectre called Regional Pay Rates.

Right now the railways pay their employees on a nation-wide schedule. Regional pay rates would involve paying the going wages in each Canadian area.

This would mean, for example, a machinist in the Maritimes might make considerably less than one in B. C.

It hasn't been endorsed or suggested by either side. However, it is a possible answer to the railways' present wage troubles with 130,000 of their non-operating workers.

But:

- The railways are nervous about suggesting it.
- The rail unions like the present setup, fear an unfavorable membership reaction to regional pay.
- All organized labor looks askance. It endorses the trend toward national wage scales, would see regional pay on railroads as a step back. At present both CNR and CPR are committed to the national durable goods wage standard for their non-ops. But they don't like it.

At midweek the railways were busy putting forward a new suggested wage scale.

This consisted of the average going rate for each job. This would replace the durable goods scale. But it is still a national average with its built-in drawbacks.

It was accepted following post-war negotiations in the U.S. when the U. S. railways were struck by the nonops. It was accepted in Canada soon afterward.

One railway executive explained it this way to **FP**: "We took it because there was really nothing better.

"At first the unions were not too keen on it. Then they accepted it. But now we find it really is too high and bears little relation to our operations."

The unions now have the railways firmly on the durable goods hook and have no intention of letting them off.

Regional rates would allow more flexibility in hiring, whether tied to durable goods wages or not.

Top railwaymen have long been advocating this privately. There are rumors that Frank Hall, nonops union boss, and railway top brass have discussed it behind closed doors.

But, for the present, both sides are frightened to come out and suggest it.

Here's why:

The railways do not want to be accused of trying to cut anybody's pay. And they are afraid of ill feeling in low-wage areas where railway jobs are much sought after.

Union executives are equally nervous of their members should they agree that two men doing the same job should be differently paid.

Yet more and more of the labor and management involved are coming to the conclusion that no other system can be made to work.

For instance, recently CNR hired a stenographer in Chicago. She received a starting salary of $350 a month. No one seriously suggests that, automatically, all stenographers employed by the company should get that pay.

Same System

Yet, supporters of regional wage scales argue that is virtually what the railways are doing now inside Canada.

Average industrial wage varies considerably through the provinces (see table). For instance a company that sets up in New Brunswick would not expect to pay the same wages as one in British Columbia.

Under today's conditions the railways say they cannot afford to pay top wages all across the country. Yet they are finding it hard to get good employees in high-wage areas.

A regional system would allow the railways to pay big money where they must, in order to get the right men; but it wouldn't force them to pay the same big money from coast to coast.

Initially it would mean higher labor costs. Rail executives concede privately they can't cut wages in low-wage districts.

But these would be pegged until the regional average seeps up to them.

This scheme doesn't seem imminent. But transport men say it may have to come—someday.

How Rail Wages Vary

	Av. weekly wage-salary, Dec., '57 Industrial composite $	Below (—) or above (+) National average %
Nfld.	61.93	—10.6
P. E. I.	50.28	—27.4
N. S.	57.04	—17.6
N. B.	56.83	—17.9
Que.	66.61	—3.8
Ont.	72.18	+4.2
Man.	64.28	—7.2
Sask.	66.28	—4.3
Alta.	71.03	+2.6
B. C.	74.79	+8.0
Canada	69.24	....

New Union at Gaspe Mines Soon to Seek Certification

MONTREAL (Staff) — An independent union is expected soon to apply for certification for Gaspé Copper Mines workers at Murdochville, Que.

Gaspé last year was scene of a bitter wildcat strike in connection with a dogged fight for labor control by Steelworkers Union.

Both labor and management concede the new independent union has signed up a majority of the workers. It is felt the Quebec Labor Relations Board will grant certification without hesitation — more than delighted to get rid of a politically red-hot potato (**FP**, Feb. 22).

This is how the two sides view the new union:

Company view: "It's an independent union that has the backing of the workers. They don't want Steelworkers to get in at the mine, but they want a union. We've no idea how things will work out with the new union. We must wait and see."

Union view: "It's just a manoeuvre. The new union is a company union. Now Gaspé will be able to say there is a union there already and no one else need apply."

Feeling in Quebec labor-management relations circles, **FP** understands, is that, whichever view is more accurate, the affect will certainly be to delay any renewed Steelworkers organizing drive.

Steelworkers remember Kitimat where their organizers infiltrated another union and eventually carried off the certification prize.

Betting was this week that if the independent gets the nod, Steelworkers will try to create a situation in which it can repeat its Kitimat tactics.

Pulp, Paper Labor to Ask For $15 Million Wage Hike

MONTREAL (Staff) — This week pulp and paper companies east of the Rockies got first indication of how much labor will be asking in 1958 contract negotiations.

For a while labor had been talking of soft-pedaling demands. Faced with falling company profits union heads were seriously discussing leaving out all wage demands and settling for fringe benefits. (**FP**, Jan. 9).

But now the mood has changed. Organized labor has set out to "cure" any recession by the expedient of getting everyone more money.

A little reluctantly the pulp and paper unions seem to be following the line.

Last weekend delegates, representing locals of Pulp, Sulphite and Paper Mill Workers and the Brotherhood of Paper Makers in mills in Ontario and the Prairie provinces, met at Fort Frances, Ont.

They agreed to ask for a 15c-an-hour wage hike—plus more holidays and a number of other benefits.

This weekend delegates from locals in Quebec and the Maritimes were due to meet in Three Rivers. They are expected to agree to the same demands.

If that is so, unions will be asking for about $15 million more on the wage bill of some 50,000 employees.

Even 50% of the unions' demand would cost $7.5 million.

With average earnings in the industry down roughly 25%, that sounds like a lot of money to management.

Some stiff bargaining looks likely in coming weeks.

Most contracts come due May 1.

ANNOUNCEMENT

S. F. D. SAMPSON

J. A. Chambers, Vice-President and General Manager of George Weston Limited, has announced the appointment of S. F. D. Sampson as manager of sales and distribution of Weston's biscuits and candies. Mr. Sampson has been associated with the company for many years and is well known in the food field across Canada.

Company Reports

Leather

DAVIS LEATHER CO., Newmarket, Ont., net profit of $95,193 for 1957, compared with net loss of $323,315 in 1956. In addition there was a profit on sale of securities of $25,671 ($35,192 in 1956).

Sales were up 3.6% but dollar return was up 12%, says President J. H. Gairdner. Discount on U. S. dollar remained at a high level during great part of year and export business was up 9%.

Company's bank loan was reduced.

Company revised its methods of costing and controlling process and finished leather inventories, necessitating an adjustment of inventory value of $178,035 which was charged to earned surplus account. Excess provisions of $78,760 made in prior years for bad debt and pension costs have been credited to earned surplus.

Capital expenditure amounted to $103,105.

Rate of production was up 10%, and company hopes to show further improvement in 1958.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Net earnings	$142,516	•$279,859
Less: Deprec.	47,323	43,456
Net profit & surp.	95,193	•323,315
•Loss or deficit.		
Earnings per Share and Dividend Record:		
Class A	$0.95	d$3.23
None paid.		
Class B	d0.35	d3.02
None paid.		

Note (1)—Earnings exclude profit from sale of securities.

Note (2) — Arrears on cl. A divds. amounted to $5.25 per sh. at Dec. 31, 1957.

Shares o/s as at Dec. 31:		
Class A, n.p.v.	100,000	100,000
Class B, n.p.v.	156,869	156,869

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$36,649	$235,995
Accts. rec. less res.	636,633	563,058
Mkt. secs.†	682,530	1,042,945
Inventories	2,242,271	2,052,044
Total curr. assets	3,598,083	3,894,042
Prepaid exp.§	12,013	11,346
Fixed assets▲	518,888	465,216
Total assets	4,128,984	4,370,604
Bk. loan & o'draft	770,122	969,925
Accts., tax., etc., pay.	82,933	146,340
Total curr. liabs.	853,055	1,116,265
Capital stock	2,785,185	2,785,185
Earned surplus	490,744	469,154
▲After depr. of	392,320	347,705
‡Market value	541,483	1,008,248
§Included in curr. assets in co.'s report.		
Working capital	2,745,028	2,777,777

Electrical

CANADIAN WESTINGHOUSE CO., Hamilton, consolidated net profit of $3,391,836 for 1957 was 88.2% higher than 1956's $1,801,734.

Sales were a record, up 15% to $150,182,572, says President G. L. Wilcox.

Backlog of orders at year's end were at a high level but below record level at end of 1956.

A number of large waterwheel generators were shipped, largest being two 80,000 kva generators for British Columbia. Major units were supplied to Ontario Hydro.

Several auto-transformers with a rating of 215,000 kva were built.

The switchgear products division shipped two 345,000 volt circuit breakers, the largest so far built in Canada.

Construction of the new distribution transformer plant at London was completed and went into operation.

Sales were down in freight brake equipment but this loss was made up by increased demand for locomotive and passenger equipment.

Company developed a pneumatically controlled brake for friction hoists.

The atomic energy division received an order from **Westinghouse Electric Corp.**, the U. S. parent, for three experimental test loops for the Westinghouse test reactor installed near Pittsburgh, Pa.

Company products were sold to more than 25 foreign and Commonwealth countries. Number of orders shipped was up 22% over 1956 and billings up 300%.

Because of orders now on hand shipments in 1958 are expected to be up 30% over 1957. Although bookings during year are expected to fall off because of competition and lack of long-term financing arrangements.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1957 $	1956 $
Sales	150,182,572	130,821,904
Net earnings	8,601,837	5,636,892
Less: Deprec.	1,953,131	1,817,796
Deb. int.	786,870	832,362
Dom. taxes	2,470,000	1,185,000
Net profit	3,391,836	1,801,734
Less: Dividends	610,532	610,530
Surplus for year	2,781,304	1,191,204
Times Interest Earned:		
Before deprec.	10.93	6.77
After deprec.	8.45	4.59
Earnings per Share and Dividend Record:		
Common	$5.56	$2.95
Paid	1.00	1.00
Shares o/s as at Dec. 31:		
Common, n.p.v.	610,533	610,531

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash & Dom. bds.	$817,013	$3,625,880
Accts. rec. less res.	26,285,623	24,492,142
Inventories‡	*31,469,724	*25,065,030
Total curr. assets	58,172,360	53,183,052
Prep. exps.§	949,228	......
Misc. assets	485,875	1,272,542
Fixed assets†	21,625,545	20,675,071
Total assets	81,233,008	75,130,665
Bank overdraft	1,979,190	......
Accts., etc., pay.	14,594,385	14,667,617
Debent. instal.	860,000	860,000
Total curr. liab.	17,433,575	15,527,617
Funded debt	16,560,000	17,420,000
Capital stock	12,525,568	12,525,487
Surplus	34,713,865	29,657,561
†After depr. of	26,520,836	25,028,275

*Adv payts. of $14,989,084 in 1956 and $13,337,731 in 1957 deducted from inventories.

‡After reserve of $2,275,000 in 1956.

§Included in curr. assets in co.'s report.

Working capital	40,738,785	37,655,435

Bank Staff Changes

Commerce:

S. S. WILLIAMS, accountant, Huntingdon, Que., to be accountant of the newly opened branch at Ritz-Carlton Hotel, Montreal.

V. E. S. BLACK, to be an assistant accountant, Halifax.

A. J. BOORNE, manager, Trenton, Ont., to be principal, Staff College, Head Office, Toronto.

J. M. BROOKS, formerly accountant, Church & Dundas, Toronto, to be an assistant organization officer, Methods & Organization Department, Head Office, Toronto.

D. G. CLARKE, to be an assistant accountant, Sudbury, Ont.

R. H. COLBURNE, accountant, Summerside, P.E.I., to be accountant, Moncton, N.B.

M. B. FITZPATRICK, accountant, Truro, N.S., to be manager, Murray River, P.E.I.

R. T GRANT, to be accountant, Barton & Parkdale, Hamilton, Ont.

R. F. HARDY, to be accountant, Fredericton, N.B.

L. M. HARRIGAN, to be assistant accountant, Main & Kenilworth, Hamilton, Ont.

T. W. HETHERINGTON, assistant manager, Rideau St., Ottawa., to be manager, Trenton, Ont.

G. G. JARDINE, manager, Murray River, P.E.I., to be manager, Campbellton, N.B.

R. E. LEWIS, formerly an assistant accountant, Toronto, to be an assistant organization officer, Methods & Organization Department, Head Office, Toronto.

W. G. MAY, accountant, Barton & Parkdale, Hamilton, Ont., to be manager of the newly opened branch at 3rd Line & Speers Rd., Oakville, Ont.

W. B. MacQUARRIE, to be accountant, Truro, N.S.

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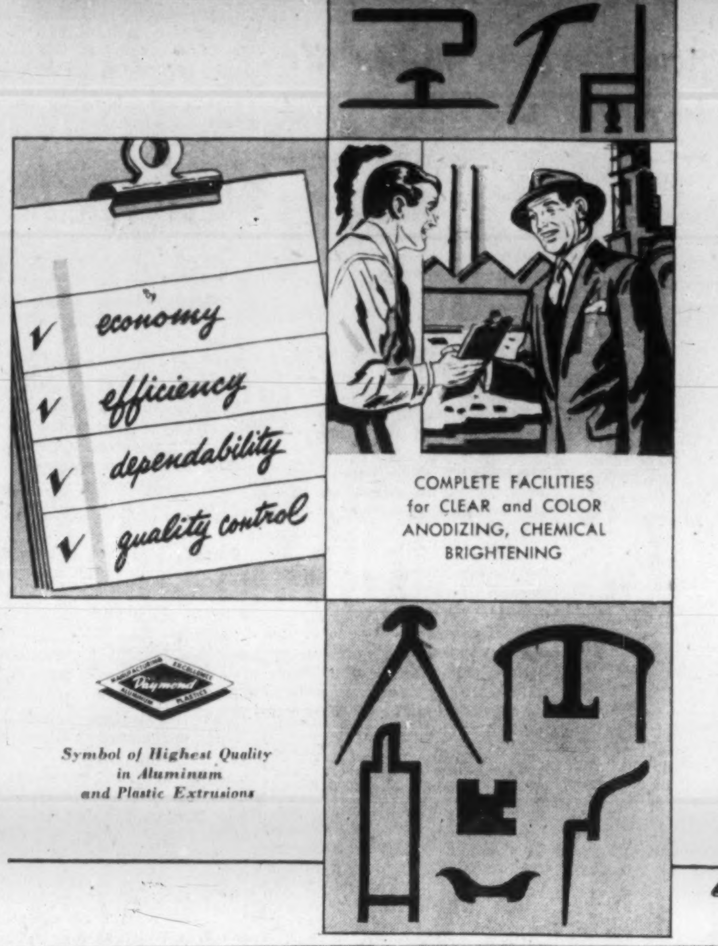

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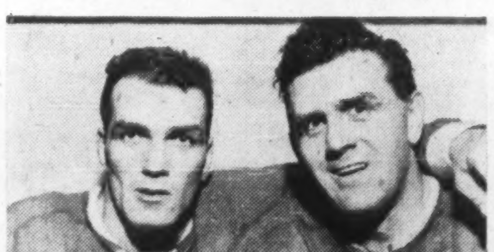
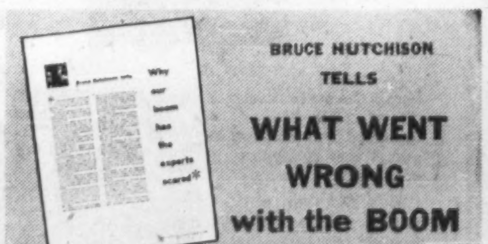


MEN *will study the penetrating discussion "What went wrong with the Boom", and enjoy the sports article "How the 'Pocket Rocket' beat the kid brother jinx."*



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ANNOUNCEMENT

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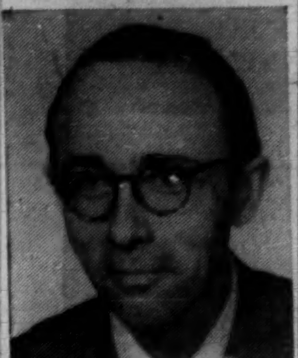

P. E. SALOMONSEN

Four Seasons Travel announces the appointment of Mr. P. E. Salomonsen as General Manager.

Mr. Salomonsen is well known in travel circles and has been in tourist, travel and transportation business for over twenty-five years Overseas and in Canada.

He is widely travelled and has a wealth of experience from personal visits to many countries where he has established contacts with the leading tour operators, hotels and transportation companies.

Mr. Executive, Your Skills Outdated Now?

MONTREAL (Staff) — Management skills are going to be reshaped by automation.

This conclusion seems amply justified by an intensive study of automation by Prof. James R. Bright, associate professor of business administration at Harvard Business School.

Bright's book is a lengthy and often complicated study of 270 pages ($10) published by the Harvard School's Division of Research.

It's a gold mine for businessmen who want hard facts about automation rather than a recitation of conflicting theori-s.

Today there is a dawning realization that increasingly automatic production demands that top executives — in sales, administration and research as well as production and engineering — do these things:

- **Develop or obtain** more sophisticated and extensive techniques of planning and forecasting.
- **Making use of these,** come to decisions on marketing and production which will be much more grave than similar decisions in less automated industries.

They will be more grave because they will be far more costly to alter or reverse.

In most cases, when you commit yourself to a certain type and flow of automatic production it costs a lot of money to change.

Thus management must be right more often in the future than in the past.

And this is the reason that the vice-president's brief-case is as deeply involved as the laborer's lunch bucket in the changes stemming from automation.

Bright takes a good look at 13 actual programs of automation — one of which was later abandoned.

He tells much about how they work, their problems of installation, whether their results did or did not conform to expectations. (In many cases, they didn't.)

His coverage of **Ford** Cleveland Engine plant No. 1 —'an early "classic" of automation — should make intensely interesting reading for industrialists.

This Ford plant probably was the first to be called automated. It has been at least mentioned in virtually every important discussion of the subject.

Some of the details revealed by Bright have remained unknown until now.

Bright also prints as an appendix what he describes as "the nearest thing to an official expression of automation's impact at Ford."

It lists these advantages:

Lower production costs through less manual handling of parts; greater production per machine by eliminating loading and unloading delays; better quality of production; increased safety; reduction of manpower fatigue.

And the disadvantages:

Higher maintenance costs; additional engineering costs; specialized nature of equipment compels that every part receive special consideration, because of its size and shape; and — naturally — installation costs must be considered.

Bright's major contribution, however, is his sketching of management into the picture of automation in action.

In the final chapter, he says:

"After the (automated) machine has been built and the break-in period has been mastered, management faces a somewhat different job from that in most plants today.

"There is more importance attached to **maintaining operating success.** The minimization of downtime is absolutely essential . . . for there is an extremely high price tag on each hour of downtime.

"Where maintenance could be tolerated as a minor problem . . . in a conventional plant, it now becomes a vital factor.

"Control of maintenance requires measurement. Therefore management must establish a system that will identify sources of costs so that corrective action can be applied most effectively."

Management's almost life-and-death position in the automated plant appears in these remarks:

"Management has a unique additional responsibility.

"If we regard the supermachine as the production tool, management is its control mechanism . . .

"Management must provide the 'feedback' from market to supermachine, from technological frontiers to the plant.

"Since time is everything, management must be as far ahead and as sensitive as possible in detecting the need for change.

"Once management has collected data and identified trends, it must make a realistic and hard-boiled decision about scrapping or changing the supermachine.

"It may be very costly to continue on a wishful thinking basis . . ."

In conclusion, Bright lists these two first essentials for successful automation:

- **An automation design team** to knit together requirements, plans, marketing factors, product and process design, purchasing and personnel.
- **An operating team** to sense rapidly the need for change and plan for it.

The relative inflexibility of automated production has wide implications for the personnel and sales departments.

Capital, maintenance and other costs may well be so high and so unchanging that total costs can't be cut appreciably by layoffs — there are few people left to lay off. (It should be noted that Bright finds notable exceptions to the widely held theory that automation demands far fewer workers with a much higher level of skills.)

The sales force must face the fact that the product of an automated plant can't be easily altered.

Specialized machinery can't be shuffled to turn out a different product. And it may have little scrap or resale value.

With a higher break-even point — almost certain — it becomes more important to sell in quantity **all** the time.

Bright thinks conventional market research will often be inadequate. Reason: It doesn't allow sufficiently for inflexibility.

If this is correct, a new set of research practices will have to be worked out.

And the market researchman will become the golden boy of industry. His decisions may lose — or make — tens of millions instead of "just" millions.

In fact, if the reader is to draw one main conclusion, it is this:

Planning — for sales, product design, personnel, and production itself — may well outdistance administration as a main management function.

Automation: What Is It?

Because there are many definitions—even among experts—it's vital in any discussion of the subject that it be defined.

In the book mentioned in the accompanying article, automation is tentatively regarded by Prof. J. R. Bright as:

". . . Something significantly more automatic than previously existed. . ."

This is important to remember since it is its meaning in popular usage but rarely among specialists, who want something much more exact—often involving electronic "thinking" processes.

dashing

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(they'd make grand friends : : : or customers)

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** compiled from Sales Management's Survey of Buying Power, Canadian Edition, May, 1957.*

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ONTARIO'S FAMILY STATION

REPRESENTATIVES:
Canada: All-Canada Radio Facilities Limited
United States: Young Canadian Ltd.

N. S. Firm Gets Barge Contract

From Our Own Correspondent

HALIFAX — **Ferguson Industries Ltd.** of Pictou has been awarded a $44,000 Department of Transport contract for construction of two steel, twin-screw landing barges.

The 50-ft. barges will be used in northern waters.

Company officials said that the work would get under way as soon as official notification was received.

The contract would allow for an increased labor force.

Company last month was awarded a $300,000 ship conversion job—also by the Department of Transport.

Plastic Canopies Cover Gas Pumps

MONTREAL (Staff) — Sheets of glass-reinforced polyester are being used as canopies for motorists and attendants in some service stations of **BP Canada Ltd.**

Manufactured by the polyresin division of **Leavens Bros. Ltd.**, the sheets are supplied with a pebble grain in the company's colors of yellow and green.

They are claimed to be fire-resistant and to withstand heavy loads of snow, providing shelter at pump areas.

BP Canada operates 100 gas stations in Quebec, also has introduced as part of its dealer relations program long-term leases, allowances for uniforms and an insurance and hospitalization plan.

DOMINION STEEL & COAL CORP. as at Feb. 28 had 2,940,061 ordinary shares outstanding.

EDDY PAPER CO. Feb. 15 had 92,718 Class A and 307,282 common shares outstanding.

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Canada's first wholesale

Merchandising Centre

The Toronto Merchandise Mart Building

For years, many furniture, home goods and giftware manufacturers and distributors have sought in Toronto for permanent, prestige showrooms that generally were not available. Now — at long last — Toronto has its own wholesale Merchandising Centre for just this purpose. The first building unit of the Toronto Merchandise Mart containing 80,000 square feet is now completed and partially occupied, the second will be ready in October 1958, to be followed shortly thereafter by a program of new additional buildings.

Toronto Merchandise Mart is on a 3½ acre site — sufficient area for buildings of more than 2,000,000 square feet.

At the moment nine progressive Canadian companies have signed leases for a total of 15,400 square feet.

Is your company looking for a modern showroom in Toronto? Check all the advantages you get in the new, modern Toronto Merchandise Mart:

- Centrally located in the heart of the business area
- Parking space for 400 cars
- Units available of 400 square feet and up
- Market weeks, co-operative advertising and publicity
- Many extra services—Telephone Answering, Secretarial Service, Hotel and Transportation Reservations, Porters, etc.
- Facilities will include Tavern and Restaurant, Meeting Rooms, Vaults and Storage Space, etc.

Rentals are as low as $2.50 per square foot and lease arrangements are most attractive. Contact us now for complete details and information.

Write, wire or phone Mr. Ben Pape

TORONTO MERCHANDISE MART LIMITED

500 King St. West, Toronto, Ontario Phone EMpire 8-2645

ANNOUNCEMENT

B.P. APPOINTMENTS

H. N. WALKER

J. E. MITCHAM

The appointments of Harry N. Walker as Vice-President, Sales and John E. Mitcham, Vice-President & Secretary-Treasurer have been announced by the Board of Directors of Building Products Limited. Mr. Walker, who joined the B.P. organization in 1956, has had many years' experience in Canada and the U. S. in the building materials and paint industries. Mr. Mitcham has been Secretary-Treasurer of the Company since 1955. He is well known in financial circles and to the building supply trade in Montreal and Toronto. Both will make their headquarters at the Montreal Head Office of the Company.

The March supplement of our Canadian Metals Survey has comments on the world uranium situation. Copies available on request.

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RECORD YEAR

From Our Own Correspondent

SAINT JOHN — The Maritime Hospital Service Association (Blue Cross — Blue Shield) had the most successful year of its history in 1957. More than $6 million was paid out in member benefits.

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The Royal Bank of Canada

Subscription Rights

By means of these Rights the Bank is offering to shareholders additional stock at $37.50 per share in the ratio of one share for each five shares held. Rights expire June 10, 1958.

We recommend shareholders to exercise their rights, and we suggest that other investors consider the purchase of Royal Bank of Canada shares on the open market or through the purchase of Rights, whereby they may subscribe for Rights on the same basis as present shareholders.

Our facilities are at your disposal in this connection, and we welcome inquiries.

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New Issue

50,000
Common Shares

each with a Stock Purchase Warrant for one Common Share

Corporation d'Expansion Financière

Authorized Capital: $3,600,000.

The Common Shares each carrying one Stock Purchase Warrant form part of a total authorized capitalization of 400,000 shares of the nominal value of $9 each, of which 325,000 are Common Shares each carrying one voting right, and 75,000 are Special Shares each carrying five voting rights. The Common and Special Shares are similar in all respects, with the sole exception that they carry different voting rights. The shares are fully paid and non-assessable.

Stock Purchase Warrants

Each Common Share will have attached thereto one Stock Purchase Warrant, in bearer form, detachable and exercisable as of August 1st, 1958, entitling the holder thereof to subscribe to one Common Share of the Company at a price of $11.50 per share if exercised before 12:00 o'clock noon on August 1st, 1963, after which date such warrant shall be null and void.

Transfer Agents and Registrars

Common Shares: Transfer Agent: General Trust of Canada
Registrar: Administration and Trust Company

Special Shares: Transfer Agent: Montreal City and District Trustees Ltd.
Registrar: Société Nationale de Fiducie

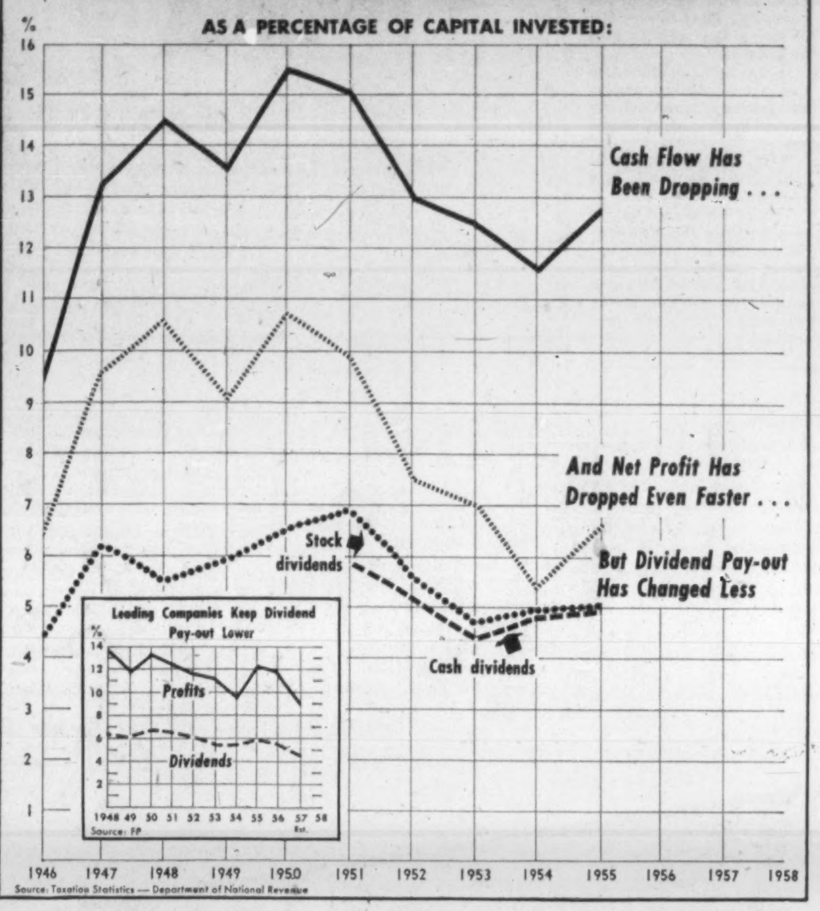
PRICE: $11.50 per Common Share

with Stock Purchase Warrant for one Common Share of the Company.

We, as principals, offer these Common Shares, if, as and when issued and received by us, and subject to the approval of all legal details by the counsel for the Company, Messrs. Gagnon and de Billy.

La Maison Bienvenu Limitée
Forget & Forget Limitée — Oscar Dubé & Cie Inc.
Creighton, Mackenzie & Co. Ltd.

DROPPING RETURN ON NET WORTH LEAVES LESS FOR RE-INVESTMENT



It Takes More Dollars To Make Money Now

By VINCENT EGAN

In the ups and downs of corporate earnings, one question too often gets lost.

It's this: How profitable are a company's operations — in relation to its investment in the business?

When more money is plowed into the business, do the additional funds generate more profits for the company, more dividends for the shareholder (who, in the last analysis, is putting up the money)?

A study by **FP** of government taxation's statistics shows that, in recent years at least, this return on the invested capital of business has dropped sharply.

As the chart at the top of this page shows, Canadian companies' net profit after taxes declined from 10.7% of net worth (invested capital) in 1950, to only 5.4% in 1954 — a drop of one-half.

In 1955, the latest year for which government figures are available, the return on equity recovered to 6.6%. The annual study by **FP** of corporate earnings (**FP**, May 11, 1957) indicates that the downtrend was resumed in 1956 (see insert chart). Preliminary 1957 statistics point to an even sharper drop last year.

(Government statistics cover 39,111 companies' results in 1950, 52,983 in 1954, 58,313 in 1955. **FP** statistics for 1956 are based on operations of 356 leading corporations; preliminary 1957 figures on a 32-company sample.)

The pattern of pay-outs to shareholders also indicates a downtrend between 1950 and 1953, resumed in 1956 and 1957.

For each $100 invested in the average Canadian company in 1950, government statistics show that the shareholder received $6.70 in dividends. This dropped to $5.40 in 1953 and 1954.

Projections based on **FP** surveys indicate that this figure declined from $5.90 in 1955 to $5.60 in 1956, then fell to $4.50 in 1957.

(Equity is defined as the capital originally invested in the business, plus retained earnings.)

Thus, while corporate profits and dividend pay-outs may have reached highest-ever dollar levels in recent years, they represent a substantially smaller return on investment than they did a decade ago.

In contrast, labor's return has more than doubled in the same period. Average hourly earnings in Canadian manufacturing industries were $1.63½ in December, 1957, more than double the 1947 average of 80.3c.

"Cash flow," which some investment analysts consider one of the most important measurements of corporate well-being, is faring better than net profit.

It's down — again as a percentage of net worth — but not as much as profits and dividends.

Cash flow is simply the sum of retained earnings (profits not paid out as dividends to shareholders) plus whatever provisions management decides to make for depreciation, depletion, amortization and special charges.

These are bookkeeping entries, and may vary upwards or downwards — within certain limits — as management thinks best. Depreciation is the biggest and most important of these items.

While provision for depreciation is a matter of discretion, it must also be realistic. Buildings and equipment eventually wear out and have to be replaced, and provision for their annual decline in value is a part of the cost of operating a business.

Nevertheless, the expense of depreciation is not paid out in dollars and cents year by year. Until the time comes to build a new plant or buy a new machine, the dollars which have been set aside are available for other corporate purposes.

And, since depreciation is a business expense, this is a tax-free source of dollars.

Government taxation statistics show that cash flow in Canadian business reached a postwar high of 15.5% of net worth in 1950. The flow diminished year by year until 1954 when it represented 11.6% of investment. Latest statistics show that it increased to 12.8% in 1955.

In 1956 and 1957, which were years of high investment in new business fixed assets, the uptrend in cash flow in relation to net worth may well have continued.

Survey by DBS of provision for depreciation by all industries shows that the total advanced from $1,424 million in 1955 to $1,598 million in 1956. Incomplete 1957 figures show a January-September total of $1,258 million, up from $1,162 million in the first nine months of 1956.

Because expansion boosts a company's earnings capacity, experienced investors take it — as well as the profit and dividend record — into account when judging stock values.

Our Nickel All Nickel

The Canadian 5c piece has a much higher nickel content than its U. S. counterpart.

The Canadian one is made of pure nickel; the U. S. one contains approximately 25% nickel and 75% copper.

In a recent article (**FP**, Feb. 22) it was reported that the Canadian 5c piece had a lower nickel content.

With the exception of short periods during World War II and the Korean War the Canadian piece has consisted of pure nickel.

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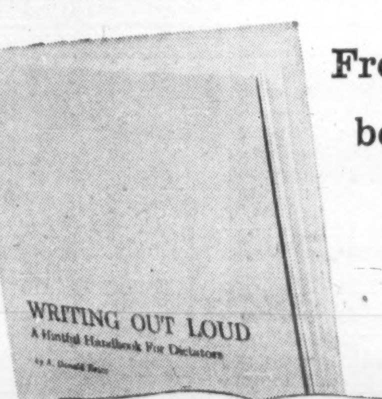

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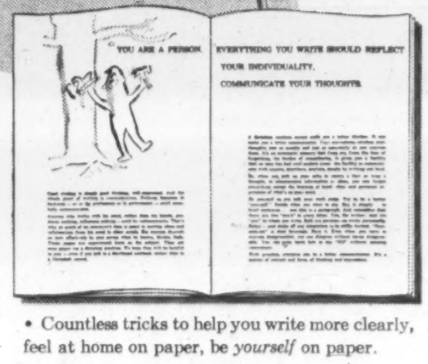
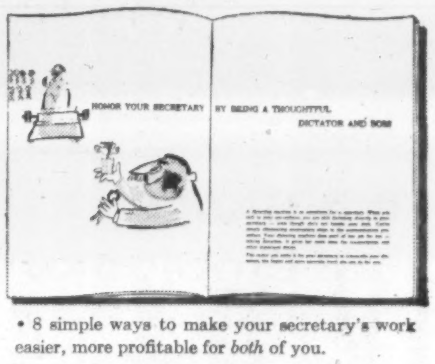
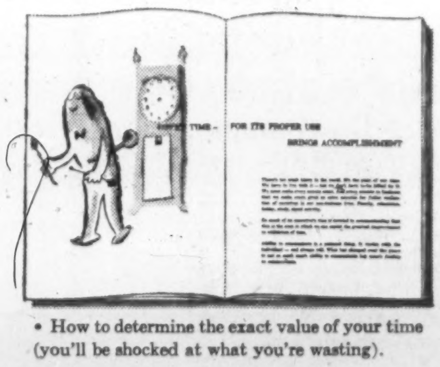


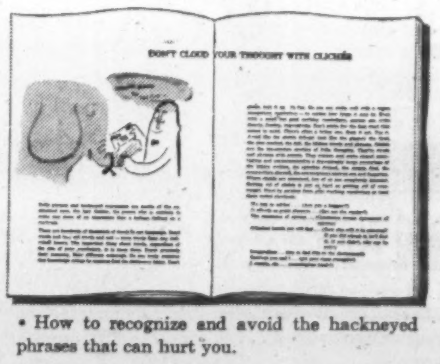
• Countless tricks to help you write more clearly, feel at home on paper, be *yourself* on paper.



• 8 simple ways to make your secretary's work easier, more profitable for *both* of you.



• How to determine the exact value of your time (you'll be shocked at what you're wasting).



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Chemical Killing Hits Lumberjack

New method cuts costs, more efficient . . .

MONTREAL (Staff) — The brawny lumberjack is getting some stiff competition from the chemical industry.

The chemical killing of trees now becoming more widespread is a striking example of two trends:

- The drive in the pulp and paper industry — where profits are being shaved — for greater efficiency, lower costs.
- The growing influence of chemicals in many industries.

"Chemical killing is fully commercial," says a woodlands expert. "Its use in Canada should increase."

Howard Smith Paper Mills has been carrying on widespread experiments with the process. Between 20,000 and 35,000 cords yearly are killed chemically by the company's men.

In its annual report released this week, the company says:

"Killing chemicals and methods will no doubt be improved over the years . . . as experiment and experience develop.

"Some researchers predict that injected chemicals will one day partially pulp the wood of the tree before it is cut to the ground."

Kills Bark

In Maine, chemical killing is being used with river driving. Killing is done in June-July. In the fall, the trees are cut and river driven, during which the bark comes off. The latter eliminates the debarking process.

Use of the chemical kill stems from the fact that chemical pulp mills need dry, clean wood.

One alternative is to go into the woods, cut the trees, peel them, pile them, let them dry all summer, then ship them.

On the other hand, the chemical kill starts with removal of a strip of bark at the base of the tree and painting of sodium arsenite solution on the bared portion.

The tree dies, as the sap spreads the poison.

It remains standing for as much as a year. When it's fully dried, the tree is cut and shipped to the mill.

Because of weight changes, this can mean an important saving in rail freight. Fresh cut wet wood weighs 5,000 lb. to the cord; wood cut and piled to dry averages 4,200; chemically killed wood weighs 3,800, says Howard Smith.

Another advantage:

When trees are cut, peeled and piled to dry, the operator has a considerable investment in the drying wood. This is reduced with chemical kill.

If chemical kill can be combined in the future with partial pulping — or with some kind of debarking agent — its use will be further expanded.

The result: A considerable change in the makeup of woods personnel, plus cost savings for Canada's $1.5 billion pulp and paper industry.

Plan Fish Future In Saskatchewan

From Our Own Correspondent

SASKATOON — Want top-flight fishing?

Saskatchewan has it, and the provincial government is taking steps to see that it continues.

An extensive hatchery program to provide fry and fingerlings for stocking purposes has been planned for this year by the Saskatchewan Fisheries Branch.

Resources Minister A. G. Kuziak says more than 95,000 angling licences were sold in Saskatchewan in 1957—almost six times the number sold 10 years earlier.

He said to keep pace with the increase in angling pressure, more money will have to be spent on ensuring that the fish supply is good.

$900 Million Jobless Fund Will Make Record Payments

OTTAWA (Staff) — A husky financial boy is now tackling the man-sized job he was raised for.

The Unemployment Insurance Fund—almost 17 years old and worth $900 million at Jan. 1—is working hard at the job of maintaining incomes for those registered for employment at National Employment Service offices.

UIF each of these winter months is:

- **Paying out** more than $60 million.
- **Putting its back** under the coasting national economy.
- **But running the risk** of straining himself if his present workload continues or his financial calorie intake is not increased.

Here is UIF's health report:

Normal, growing boyhood. Physical shape grew from modest beginnings to $582.6 million by March 31, 1950 and $664.6 million in 1951, $778.2 million in 1952, $851.6 million in 1953, and $881.3 million by March 31, 1954.

Began part-time work in 1955, was reduced to $840.6 million in 1955 but filled out with exercise and monetary support from workers and employers (40% each) and general taxpayer (20%) to $854.2 million, in 1956, and $874.6 million by March 31, 1957.

Last September, began working in earnest. Amounts paid out by months:

	1957	1956
	—(million)—	
Sept.	$13.7	$7.0
Oct.	16.3	8.0
Nov.	19.0	9.2
Dec.	32.0	12.5

Comparing winters:

	1958	1957	1956
Jan.	$61	$33.5	$33.4
Feb.	65*	38.5	32.0
Mar.	50*	44.0	38.0

*FP est.

UIF income has been running at about $20 million each month. Amounts ranged in 1957 from $18.4 million in May to $23 million in July. Last month UIF intake was $22.2 million.

Thus it is faced with record outgo this winter, expected to lower its fiscal year-end total to about $725 million, lowest since 1952.

While it will soften the traditional seasonal slowdown by maintaining incomes of those qualifying for benefit payments, the fund total is being watched closely.

Reason: Fund income at about $20 million a month is sufficient to provide benefit payments for only about 235,000 applicants.

The Unemployment Insurance Commission's statisticians make only spot checks to find out the amount of the average benefit payment. For both full-time and part-time recipients, the average payment has been slightly more than $20 per week.

This winter, because of widening of regulations, more workers are eligible for payments and the payment period for seasonal benefits is longer.

Unlike last winter, fishermen may apply successfully (about 20,000 have) and married women are enabled to qualify more easily (about 12,000 are eligible).

The seasonal benefit period, which last winter ran from Jan. 1 to April 15, was extended a month at each end, runs now from Dec. 1 to May 15.

This period generally allows those whose weekly contributions are not numerous enough to qualify the holder for regular benefits to obtain insurance payments.

How much of the extra financial drain on UIF this winter is due to this liberalizing of the regulations is not yet known.

What is becoming clear is that from now on the fund's income is not likely to match its outgo each year, even though employment levels return to normal ranges.

The actuarial soundness of the fund's operation has been questioned in recent months (**FP**, Aug. 11, 1956 et seq.) and increases in the pennies-per-week contributions per person may be expected later this year.

Contributions by individual workers range from 16c per week for those earning between $9 and $14.99 to a maximum of 60c for earners of $57 a week and more.

Biggest drain on the fund is believed to result from payments to those seasonally unemployed and those unwilling or unable to match their skills to jobs.

PROPOSED MILL

From Our Own Correspondent

SAINT JOHN — **Campbell and Stewart Ltd.**, wholesale lumber merchants, have proposed a new hardwood mill for the St. Stephen-Milltown area near the U. S. border.

U.K. Aims at Doubling Precision Goods Sales

Britain hopes to double her present $7 million annual sale of scientific instruments in Canada "within a very short time —perhaps a year or two."

Probable method: Establishment of "group selling agencies" which would promote sales of specific types of scientific and precision instruments.

The agencies would represent groups of U.K. manufacturers in dealings with Canadian buyers.

This is the prediction of L. A. Woodhead, head of a delegation from the British Scientific Instrument Manufacturers' Association, visiting Toronto at midweek.

The instrument manufacturers are the first U.K. industry group to follow up the visit of the Canadian Trade Mission to Britain in December.

The association has 164 members. Types of products manufactured break down roughly into three categories — optical, electromechanical and electronic instruments.

Canadian sales in each category are roughly $1.3 million, $1.7 million and $4 million a year respectively.

Sales Plan

"We're considering two ways of pushing our Canadian sales," Mr. Woodhead told **FP**.

- **"We may break new ground** completely by setting up group selling agencies in each of the three categories. This is perhaps most likely in the case of the manufacturers of electronic instruments.
- **"Or we may expand existing** business arrangements; most of our member firms have trade connections in Canada and some have branches.

"Perhaps a combination of the two will be used."

An example of the type of existing business arrangement is provided by Mr. Woodhead's firm, **Cossor Instruments**, London. Cossor has a Canadian subsidiary, **Cossor (Canada) Ltd.**, Halifax, which itself has branch offices at Toronto and Montreal.

What would be the selling points?

"We think that it's the old story again — many British manufacturers have never advertised or pushed themselves properly in Canada.

"But now we have something worth promoting and we'll do just that."

Two recent achievements "made possible by British instruments" were cited by Mr. Woodhead:

- The 12-man trek to the South Pole in January headed by Dr. Vivian Fuchs.
- Development of the Zeta device which recently apparently produced a thermonuclear reaction (**FP**, Feb. 1).

"These were 'world firsts' thanks to British scientific instruments.

"Another recent success has been the expansion of our sales of scientific instruments in West Germany, long famous for the quality of its manufactures of this type.

"One area in which we're doing particularly well in Germany is in optical instruments; that's 'bringing coals to Newcastle' all over again."

What about the European Common Market? Is that likely to erect barriers in Europe against British scientific instruments?

"We're keeping a close eye on developments there of course. But we're not worrying at the moment because we think we can make adjustments in time to keep our European markets —even if barriers are raised against us, which may not be the case at all."

ANNOUNCEMENT

TORONTO-DOMINION BANK ANNOUNCEMENT

E. R. CAMERON   F. ROSS MACLEAN

The Toronto-Dominion Bank announces the appointment of F. Ross Macleon as a Superintendent in the Credit Department at Head Office. Mr. McLean succeeds Mr. E. R. Cameron who is retiring upon completion of 47 years of service with The Bank.

H-7403

Bank Staff Changes

Toronto-Dominion:

C. E. GIBBS, attached to the personnel department, head office, Toronto, to be manager, savings department, 16 Durham St. S., Sudbury, Ont.

L. E. LACOMBE, acting accountant, Three Rivers, Que., to be accountant at that branch.

W. A. MacDONNELL, acting accountant, Westdale branch, Hamilton, to be accountant at that branch.

G. C. STARING, assistant accountant, Yonge & Gerrard, Toronto, to be accountant, Queen & Logan, Toronto.

J. A. BLAIR, assistant accountant, Preeceville, Sask., to be accountant, St. Boniface, Man.

L. L. KENNEDY, assistant accountant, Queen & Spadina, Toronto, to be accountant, Kingston Rd. & Warden, Toronto.

V. I. GRANHOLM, assistant accountant, Victory Square, Vancouver, to be accountant, 5866 Cambie St., Vancouver.

E. J. McSHANE, assistant accountant, Portage & Notre Dame, Winnipeg, to be accountant, St. Vital, Winnipeg.

R. L. BLACK, assistant accountant, St. Clair & Christie, Toronto, to be accountant, Eglinton & Heddington, Toronto.

E. L. McCARTHY, assistant accountant, 240 St. James St., Montreal, to be accountant, St. Lawrence & Ontario, Montreal.

R. BLAIR, assistant accountant, Dundas & Adelaide, London, Ont., to be accountant, Dundas & Richmond, London, Ont.

B. A. WINKLER, assistant accountant, Bloor & Royal York Rd., Toronto, to be accountant at that branch.

E. J. McSHANE, assistant accountant, Portage & Notre Dame, Winnipeg, to be accountant, St. Vital, Winnipeg.

• • •

Royal:

R. V. CREIGHTON, asst. manager, Nassau, to be manager, Bridgetown, Barbados.

H. P. URICH, Port of Spain, to be manager, Mackenzie.

D. S. B. DAVIES, manager, Mackenzie, to be manager, Georgetown, Broad St.

C. J. D'ABADIE, manager, Georgetown, Broad St., to be manager, San Juan, Trinidad.

H. A. MACINTYRE, Supervisor's Dept., Caracas, to be accountaht, Maracaibo.

J. A. VICTORIA, Ciudad Trujillo, Ave. San Martin #9, promoted to accountant.

G. D. GILLESPIE, Nassau, to be accountant, Montego Bay.

• • •

Nova Scotia:

D. D. SINCLAIR, to be manager, Mission City, B.C.

F. E. ANZELC, assistant accountant, Mount Dennis, Ont., to be accountant, Acton, Ont.

Shares In Blocks

The buying or selling of large blocks of shares, without unduly disturbing the quoted market values, requires a specialized service. Through connections here and abroad, we offer a service that has successfully handled this type of transaction for many years.

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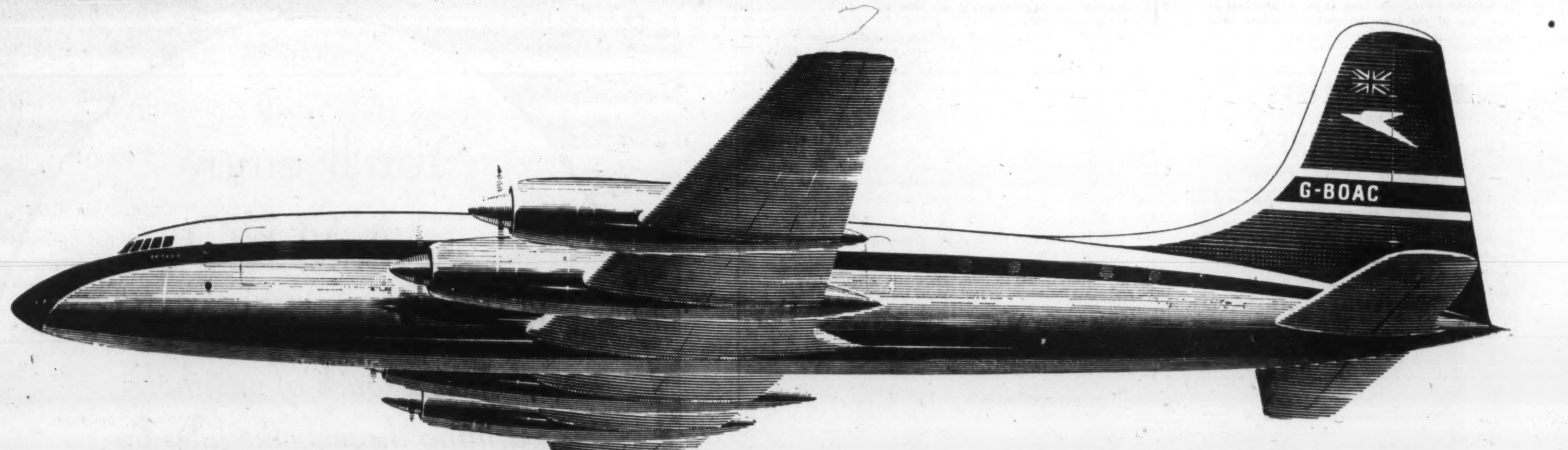

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And remember, whether you fly First Class or Tourist—or take advantage of BOAC's new, low *Economy Fare—you'll enjoy the world's finest, most dependable passenger service. Fly Britannia —and discover for yourself why BOAC leads the world in *jet* travel!

*Effective April 1st—subject to Government Approval

World leader in jet travel

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ANNOUNCEMENT

ELECTED KODAK DIRECTOR

D. DOUGLAS LAUDER

The election of D. Douglas Lauder as a director of Canadian Kodak Co., Limited and Canadian Kodak Sales Limited has been announced by Donald C. Kerr, president and general manager. Mr. Lauder will continue his responsibilities as secretary and sales manager.

INDUSTRIAL ACCEPTANCE CORP. Feb. 28 had 94,737 4½% preferred shares ($10 par), 96,170 4½% preferred shares ($50 par) and 99,720 5½% preferred shares ($50 par) outstanding.

R is for Robins

Because they come first each Spring, and everybody likes a winner

The Stratford Beacon-Herald

57

(Advertisement)

HOME STUDY COURSE IN PROGRAMMING BUSINESS COMPUTERS

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Free brochures describing the course are available upon request from Business Electronics Inc., Computer Branch, 420 Market Street, San Francisco 11, California.

Another Postponement In Premium Iron Case

From Our Own Correspondent

WASHINGTON, D.C.—There has been another postponement in U.S. government appeal against the Tax Court victory of a Canadian company, **Premium Iron Ores Ltd.**

The Justice Department now will file its appeal April 7 in its continuing battle to get more than $4 million in taxes from Cyrus Eaton, his associates and his Premium Iron Ores company.

- **The Tax Court threw** out the government claims last spring.
- **Then the Justice Department** asked the court to review its decision. The court refused.
- **Then the U.S. tax hawks filed notice** of appeal.

The appeal was to have been filed Feb. 17.

- **The government lawyer became ill** with Asian flu and a postponement to March 17 was granted.
- **Now once again,** the governmen has sought a delay and the deadline has been delayed to April 7.

"This time, we figure the date is a firm one and the case will proceed," one of the Cyrus Eaton lawyers told **FP** this week.

Both the Liberal and Conservative governments have sent memoranda to Washington, pointing out that Ottawa did not embrace the U.S. government action against Eaton and his Premium Iron Ores.

The Conservative memorandum to Washington was somewhat stronger in tone than that of the Liberals.

Washington bases its tax claims against Eaton and his company and associates on the grounds that an office "was maintained" in the U.S. and this therefore made the firm subject to U.S. taxes.

The Canadian government had exempted the company from Canadian taxes in its early stages as an incentive to development.

Chances are, the government appeal may not be heard until next fall.

If the government does file its appeal on April 7, Eaton's lawyers probably will want some time to make a reply.

By the time the appeal brief and the reply are looked over by both sides, it may be well into June and the Court may decide to hold the case over the holiday season and hear it next fall.

An editorial on the case was recently placed in the Congressional Record, strongly criticizing the government for its action against the Canadian company.

The Cincinnati Enquirer said:

"The disadvantage which Canadians feel exist against the U.S. feeds the buy-British campaign called into being by the Tory Prime Minister, John Diefenbaker.

"That campaign already has reduced U.S. exports and bids fair to injure our trade to the north even more.

"The campaign, moreover, is popular and much is being made of it in the current parliamentary campaign.

"Into this troubled situation, the Department of Justice has seen fit to inject another abrasive issue.

"The department's determination to appeal the unanimous Tax Court decision of last April in the Premium Iron Ores and Cyrus Eaton income tax case far transcends the interests of the Cleveland financier and his associates.

"It threatens the tax conventions between Washington and Ottawa, under which the huge and profitable U.S. investment in Canadian raw resources and industry has gone forward . . .

"The Revenue Bureau's claim of something like $2 million from Cyrus Eaton and $2.6 million from Premium Iron Ores Ltd., was disallowed last spring by all 18 judges of the U.S. Tax Court.

"The Justice Department had, in effect, demanded that all the judges be polled. Ordinarily, given the added weight of international expediency, the case would have been dropped.

"Not so. In the face of the Canadian government's protest and the full force of Canadian opinion, the Revenue Bureau and the Department of Justice insist upon treating the Eaton-Premium claim as just another attempt to wring money from unwilling taxpayers.

"It is such failures to coordinate policy on a high level to restrain bureaucratic zeal in the interest of international comity that contributes to our reputation abroad as a brusque and ungainly friend . . .

"Consider the present aggravated climate of the U.S.-Canadian relations and the necessity of negotiating a new tax treaty if the appellate court held with the Revenue Bureau, it would seem the part of wisdom for the State Department to use its good offices with the Department of Justice.

"There are sufficient causes of dispute more difficult of settlement—St. Lawrence Waterway toll subsidies, the adjustment of petroleum quotas, the prospect of larger import duties on lead, zinc and other metals — so that it would seem the administration should mediate this superficially minor but fundamentally dangerous difference."

Growth

Manufacturing plants new to Canada, expansions of existing industry across the nation

Areas, industries are invited to report their progress in this column

Wall Systems

New wall systems which save time and money without sacrificing eye-appeal or function are in the limelight. Here are three recent announcements from major manufacturers:

Curtain wall: Kawneer Co. Canada is offering a system of modular wall units which are factory assembled and shipped to the site complete with insulated panels, operable sash and doors.

It is called Unit Wall and is available in a wide selection of colors, unit types and sizes.

Movable wall: From **Hauserman of Canada Ltd.,** and its parent, **E. F. Hauserman,** Cleveland, a prefabricated system of sound-resistant steel and glass construction with all components re-usable if wall is relocated or changed in design. Named Type HP, it has full-flush panels, provision for concealed lay-in wiring, and adjustable ceiling trim.

EASY-TO-BUILD glass block panels for decorative and practical uses in home and office are now being marketed by Pilkington Glass Ltd.

Glass panelling: Glass blocks from **Pilkington Glass Ltd.** for panelling by do-it-yourselfers and professionals.

Glass blocks are bolted together with special-type bolts within a wooden frame.

They are not weather-proof but can be used for many decorative and practical purposes in and around home, office or institution.

* * *

Aluminum Plans

Aluminium Ltd., Canadian holding company which controls **Aluminum Co. of Canada** and various subsidiaries abroad, has substantial growth plans in mind for its facilities.

- In the U.K., it is expanding by about 25% the aluminum rolling capacity of **Northern Aluminium Co.** and adding technical facilities to its three U.K. fabricating plants.
- In Canada, it is considering expansion of sheet rolling facilities.

An immediate expansion of Northern Aluminium's Rogerstone rolling mill to 75,000 tons capacity per annum will be engineered in such a way that a further 100,000 tons may be added later on short notice and at a relatively low cost per ton.

Fabricating facilities at Banbury and Birmingham in the U.K. are being reinforced and modernized to strengthen the company's position as the leading British aluminum fabricator with an eye on to potential new markets on the continent in shipbuilding, land and air transport.

The company's present fabricating capacity in Canada is approximating 90,000 tons per annum. Alcan, which now operates a sheet mill at Kingston, Ont. recently purchased a 600-acre area in Milhaven, Ont., for possible future erection of another mill.

Estimated capital cost of the expansion in England over the next five years is $30 million, of which a third would be subscribed by Aluminium Ltd. as equity capital and the remainder borrowed and generated by Northern Aluminium Co. in the U.K.

* * *

Moose Jaw Foundry

Moose Jaw will be the site of a die-casting foundry that is said to be "only the start of bigger operations."

The new enterprise, getting under way after an investment of some $30,000, will produce specialized non-ferrous metal castings for use of industry where mechanical or metal assembly operations are involved.

The plant is scheduled for production this summer.

* * *

Truckers' Centre

The new $250,000 sales and service centre of **Brantford Coach & Body Ltd.,** designed for truckers in the Niagara Peninsula area, was opened officially this week in Brantford, Ont.

Latest link in the company's trans-Canada chain of 11 branches and seven distributing points, the building's 22,500 sq. ft. of floor space includes a drive-in paint-spraying and drying department, a stockroom of repair parts and accessories, and a 12,500 sq. ft. service area equipped to handle 22 pieces of equipment at one time.

The service floor will handle conversions, complete overhauls, service for hydraulic hoists, bodies and lift gates, floor repairs, etc.

Head office and factory of the company is in Brantford

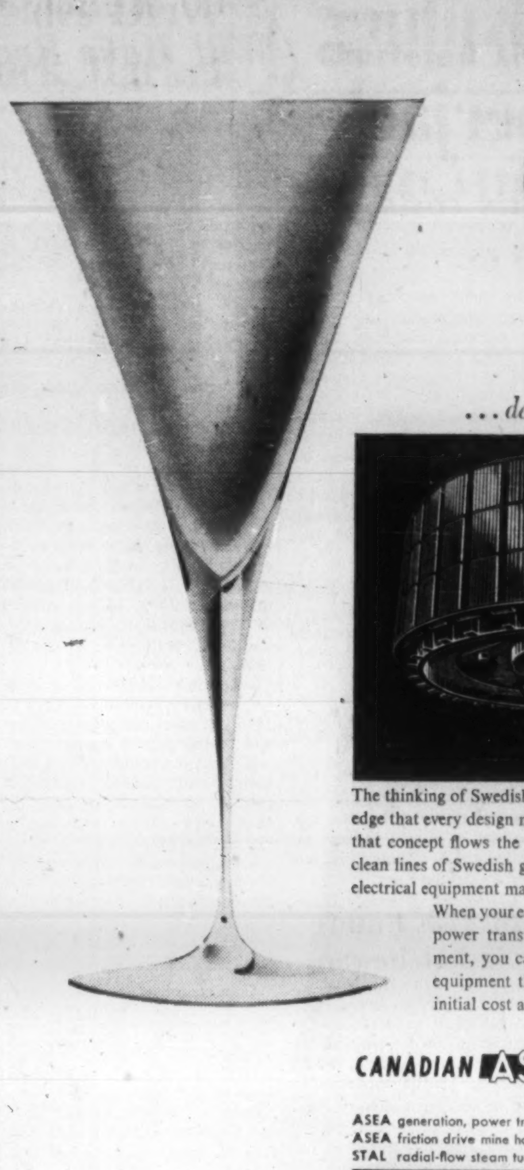
* * *

Hamilton Says:

"Nail down your plant in Hamilton district" states a handsome and informative new brochure on the advantages which that famous steel producing and fabricating area has to offer new and expanding industry.

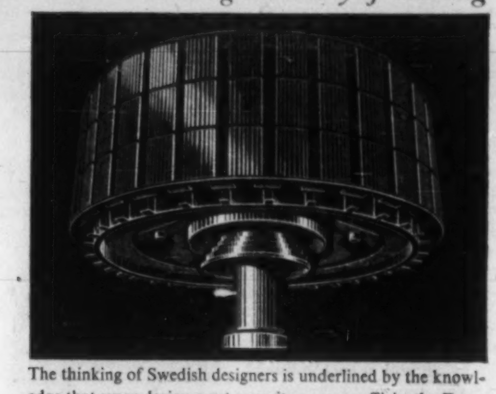
Published by Hamilton District Industrial Commission with a wealth of illustration, the brochure underlines the variety of products which move from the area to substantial but still growing markets at home and abroad.

It mentions the trade impetus expected when the St. Lawrence Seaway opens next year, the rapid population growth due in Windsor-Toronto Golden Horseshoe area of which it is an integral part, in particular.



in glassware and generators

. . . design is a way of thinking



The thinking of Swedish designers is underlined by the knowledge that every design must serve its purpose efficiently. From that concept flows the modern originality that results in the clean lines of Swedish glassware and the efficiency of Swedish electrical equipment made by ASEA.

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Company Reports

Automotive

CHRYSLER CORP., Detroit, net profit of $119,952,406 for 1957 was $100 million higher than 1956's $19,952,969.

Sales were a record says President L. L. Colbert.

Unit sales of passenger cars and trucks totaled 1,381,951 vehicles up 28% over 1956's 1,077,877 vehicles. Passenger car sales accounted for 19.5% of domestic retail sales of new cars made in the U.S., 19.1% of Canadian registrations.

U.S. sales in the final quarter of 1957 reflected decline in business activity. Sales in final two months of year were 82% of the same period in 1957.

Chrysler Corp. of Canada has spent $55 million since 1953 for new plant and equipment. Parent company has spent $900 million in U.S.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
	$	$
Net sales	3,564,982,510	2,676,334,431
Net earnings	347,980,829	116,300,359
Less: Deprec.	87,825,298	67,994,525
Long-term debt int.	8,203,125	5,852,865
Taxes	132,000,000	22,500,000
Net profit	119,952,406	19,952,969
Less: Divds.	34,860,795	26,118,762
Surplus for year	85,091,611	†6,165,793

†Deficit.

Times Interest Earned:		
Before deprec.	42.42	19.87
After deprec.	31.71	8.25
Earnings per Share and Dividend Record:		
Common	$13.75	$2.29
Paid	3.00+1.00	3.00

CONDENSED CONS. BALANCE SHEET

Years Ended Dec. 31:	1957	1956
Cash & mktble. secs.	$532,218,442	$204,699,208
Accts. rec., less res.	81,181,397	124,645,951
Unbilled costs under def. contr.	10,175,483	14,999,849
Inventories	300,389,316	312,243,949
Tot. curr. assets	923,964,638	656,588,957
Prepaid exp.§	16,077,759	12,715,950
Invests. & other assets	10,535,405	11,913,091
Fixed assets†	546,027,577	613,542,382
Total assets	1,496,605,379	1,294,760,380
Total curr. liabs.	514,297,492	461,088,045
Long-term debt	250,000,000	187,500,000
Common stock	219,194,712	218,150,771
Earned surplus	513,113,175	428,021,564
†After depr. of	421,887,434	345,751,054

§Included in curr. assets in co.'s report.

Working capital	409,667,146	195,500,912

Financial

ECONOMIC INVESTMENT TRUST LTD., Toronto, net profit of $267,456 for 1957 was 0.5% lower than 1956's $268,643.

At Dec. 31, 1957, resources were invested 82.45% (78.14% in 1956) in common stocks, 5.48% (14.6%) in preferred stocks, and 12.07% (7.26%) in bonds debentures and cash, says Chairman A. Bruce Matthews.

There were 151,500 common shares outstanding at Dec. 31, 1957 (150,000 Dec. 31, 1956). The additional 1,500 shares were issued on conversion of $60,000 principal amount of 4% convertible debentures, series A. The premium of $45,000 was credited to premium on shares issued.

There are 23,500 common shares reserved for possible issuance upon conversion of series A 4% convertible debentures.

Over 74% of trusts resources were invested in securities eligible for investment of funds of life insurance companies.

Supplementary letters patent were granted company for conversion of the authorized but unissued preferred shares into common shares.

Annual meeting is April 10.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Net income	$373,976	$356,471
Less: Bond int.	98,220	84,928
Inc. tax res.	8,300	2,900
Net profit	267,456	268,643
Less: Dividends	241,675	240,000
Surplus for year	25,781	28,643
Times Bond Int. Earn.	3.81	4.20
Earnings per Share and Dividend Record:		
Common	▲$1.77	$1.79
Paid	1.00+0.60	1.00+0.60

▲Based on number of shares outstanding during year as calculated from dividends paid.

Shares o/s as at Dec. 31:		
Common, $10 par	151,500	150,000

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash & Dom. bds.	$159,824	$269,460
Accts. rec.	4,807	104,419
Investments▲	8,035,074	7,772,130
Total assets	8,199,705	8,147,009
Accts. & tax. pay.	20,987	123,355
Bond int. accr.	39,400	40,000
Total curr. liab.	60,387	163,355
Funded debt	2,940,000	3,000,000
General reserve	100,000	100,000
Invest. res.	2,181,938	2,052,055
Prem. on shs.	613,185	568,185
Capital stock	1,515,000	1,500,000
Capital surplus	559,579	559,579
Surplus	229,646	203,865
▲Market value	8,195,000	9,717,000

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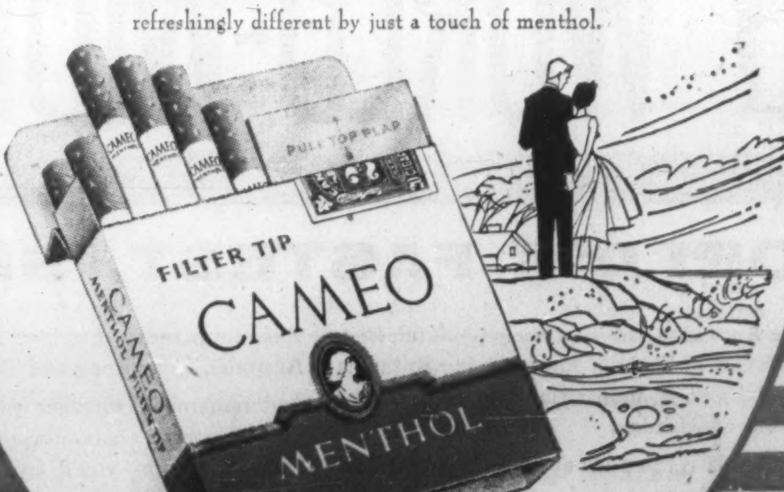

ANNOUNCEMENT

JWT APPOINTMENT

ROSS SHARPLESS

J. Walter Thompson Company Ltd. announces the transfer of Ross Sharpless from its Frankfurt-am-Main (Germany) office to JWT, Toronto, where he will serve as a senior art director.

Mr. Sharpless entered the commercial art field in 1946 when he joined the Dayton Journal-Herald as art editor. After two years on this paper he became a student at the Art Center School in Los Angeles, and later carried out special art projects in the Air Force.

Since 1954 he has been with J.W.T. in the Detroit, Paris and Frankfurt offices, specializing to a large extent on automotive advertising.

New Phone Gadgets Make Gabbing Easy

Bell displays some of its fascinating gab gimmicks . . .

MONTREAL (Staff) — The nation's phone firms have some new ideas to help Canadians retain their title as the world's gabbiest telephone-users.

At the Better Home Building Show in Montreal, **Bell Telephone Co.**, — country's largest system — showed off some of the newest equipment and wrinkles.

They are all designed to make it easier and more convenient for customers to keep right on talking.

Included:

- **A "speakerphone."** Except for three buttons and a tiny disk along the base, this looks like an ordinary telephone.

By pushing the appropriate button the disk — a tiny, highly sensitive microphone — can pick up the phone-user's voice anywhere in an average size room.

Accompanying the set is a tiny loudspeaker, about the size of a pack of cigarettes, which broadcasts the caller's voice.

By using this distant talking phone, a housewife can carry on a conversation while tending to her knitting. A secretary can take dictation without having to wrestle with headset or shoulder rest.

If the receiver is lifted, the set functions as a normal telephone for private conversations.

- **A "volume control" telephone,** which permits the volume of the incoming call to be adjusted to the requirements of the user.

Designed for the hard-of-hearing, this set is becoming increasingly popular as an extension in noisy workshops or laundry rooms.

- **A "night light" telephone** whose dial is lit with a soft glow that steps up to full illumination when the receiver is lifted.

This one is intended for the guest room or bedroom.

- **The "exclusion" telephone,** which automatically cuts off other extensions in home or office to assure private conversations.
- **A "robot secretary,"** an automatic telephone answering and recording set that answers the telephone and takes messages while the user is away.

CYRUS H. McLEAN

appointed president of British Columbia Telephone Co. He takes over from Gordon Farrell, who has become chairman.

Big Aluminum Sales Drive Hits at Tank Truck Market

MONTREAL (Staff) — Aluminum-makers — armed with their best sales argument in over a decade — are moving in on the tank truck market.

Already they report considerable success.

And **Aluminum Co. of Canada** aims for a full-scale swing to aluminum tankers and tank trailers in this country.

The company's most powerful persuader:

For the first time since the mid-40s, industries wishing to expand rapidly their use of aluminum can be sure of an excellent supply situation.

There is considerable production overcapacity in the lightweight metal (**FP**, Jan. 9). Alcan's Canadian smelters are operating at about 80% of capacity

Here is a concrete example of how the end of a long period of tight supply can be a stepping stone to big new uses.

Today more than three-quarters of new gas tank trailer output in the U. S. is in aluminum.

In Canada, five producers — including **Fruehauf Trailer of Canada** and **Canadian Car Co.**— are producing aluminum units. Alcan says three others intend to join this group.

Companies using aluminum tanker equipment include big names like **Imperial Oil Ltd., British American Oil Co., Du Pont of Canada, Canadian Industries Ltd.**

Main materials being carried: Gas and oil, flour, cement, hydrogen peroxide and a wide variety of chemicals (Aluminum always has been used in the latter field, because it resists attack from many chemicals, has certain other advantages).

This is really a comeback for aluminum.

From 1930 to 1934 the metal was used extensively for tanks designed to be mounted on truck or trailer frames.

But when frameless tank designs were introduced, aluminum lost out to low alloy high tensile steel. It no longer had sufficient advantage to offset higher cost.

Now with the use of new aluminum alloys and welding processes, steel is getting stiff competition.

Alcan says use of aluminum boosts payloads 9% to 18%, depending upon product. Initial capital cost is greater, however.

If aluminum can consolidate an advantage in the Canadian market it's likely that haulers and tank manufacturers will turn increasingly to the metal, the industry feels.

And this would be a very large step in the aluminum-makers' current drive for market expansion.

New Traffic Routes Urged for Winnipeg

From Our Own Correspondent

WINNIPEG — Multi-million changes may lie ahead for auto traffic in Metropolitan Winnipeg.

They are contained in the long-awaited Wilbur Smith Traffic Report, issued by Greater Winnipeg's Metropolitan Town Planning Commission.

The report recommends that 13 new bridges be built in the Greater Winnipeg area, starting with the Disraeli Bridge over the Red River in the general downtown area.

This bridge was twice turned down by City of Winnipeg ratepayers, but is now scheduled to be built with provincial government assistance.

The total bridge program includes nine bridges over the Red River and four over the Assiniboine River.

In addition, the report suggests:

- **Government assistance** to build off-street parking facilities.
- **Formation** of a Greater Winnipeg Parking Authority.
- **Also a** Metropolitan Transportation Authority to handle traffic, parking, trains and highways.
- **Increases in parking meter** rates and more parking meters.
- **A standardization** of traffic signs and pavement markings.
- **Extension** of the present one way streets and additional routes of the same nature.
- **An expressway** to circumscribe the central business district, a route which would connect with the perimeter route now under construction.

In 1981, the report says, one vehicle for every three persons will be in use, a total of nearly 225,000 cars and trucks.

On basic parking policies the report said:

"It is becoming increasingly apparent, while private interests have undertaken the development of most of the present facilities, government action will be required to encourage and support future efforts.

"It is recommended that the city participate through the acquisition of land and construction facilities, with the operation to be leased to private interests."

Zoning regulations should be drafted for the central business section, the report said, "to ensure that any new land uses provide sufficient parking spaces to meet their needs."

Controls over private operators are also suggested to ensure attractive and functional facilities.

Curtailing of night and weekend public transit service on feeder routes were also suggested — "heaviest losses of transit revenue have occurred during these periods and economy can be effected with little impact on riding habits."

The Smith Report also predicted "serious" traffic problems around the Polo Park shopping development — scene of Greater Winnipeg's first **Simpsons-Sears** department store.

Steelmen Create New Organization

A new organization, the Canadian Steel Warehouse Association Inc., eventually hopes to have several hundred member companies across Canada.

Organized by a group of Toronto and Hamilton executives in the industry, the association includes the speedy circulation of news and views on new techniques in material handling, trucking, steel applications and employee training among its basic aims.

A major object is continued improvement in quality of iron and steel products and the expansion of markets.

Admiral Tool-Up Costs $5 Million

Canadian Admiral Corp., Port Credit, Ont., has invested over $5 million in new automatic equipment, tools and dies for its redesigned 1958 lines of appliances.

Company's new electric ranges, refrigerators, freezers, air conditioners and dishwashers are being shown to dealers across Canada.

Admiral accounted for a greater percentage of the nation's television sales in 1957 despite the general decline in this field.

Company ended the year in first place, both in volume and value it says.

Its radio sales showed a substantial increase over the previous year while those of the industry's sales generally showed little change.

Executive Aircraft

Beechcraft D18S—Presently being operated by Eastern Corporation. Airframe: 4500 Hrs. Engines less than 200 Hrs. since Pratt & Whitney Overhaul. Executive interior. Card Tables. Full instrumentation and radio. 360 Channel Collins, Dual A.D.F.'s, Dual Omni, I.L.S., Marker, Glide Slope. Offered with spare zero time engine. Many extras. Available for demonstration.

For full particulars contact

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Directory of **Chartered Life Underwriters**

ESTATES PENSIONS FAMILY INCOMES

SAMUEL LITWIN, C.L.U.
Estate and Business Insurance Analyst
Sun Life of Canada
Sun Life Building MONTREAL UN. 6-6411

REG C. ELLIS, C.L.U.
Specializing in Term Insurance Plans
OCCIDENTAL LIFE INSURANCE COMPANY OF CALIFORNIA
80 Belsize Drive TORONTO 7 HU. 5-9800

MAURICE E. THOMAS, C.L.U.
Branch Manager
THE EMPIRE LIFE INSURANCE CO.
1520 WEST GEORGIA STREET, VANCOUVER MU. 1-8377
Specializing in Estate Analysis and Business Insurance

HOWARD J. CROFTS, C.L.U.
Business Insurance and Estate Planning
THE LONDON LIFE INSURANCE COMPANY
25 King Street West — TORONTO — EMpire 6-9403

MORT L. LEVY, C.L.U.
THE IMPERIAL LIFE ASSURANCE COMPANY OF CANADA
11 ADELAIDE ST. W. TORONTO EM. 8-8365

E. L. ARCHER, M.A., C.L.U.
ESTATE PLANNING ASSOCIATES
372 Bay Street, Toronto, EM. 4-0241
North American Life

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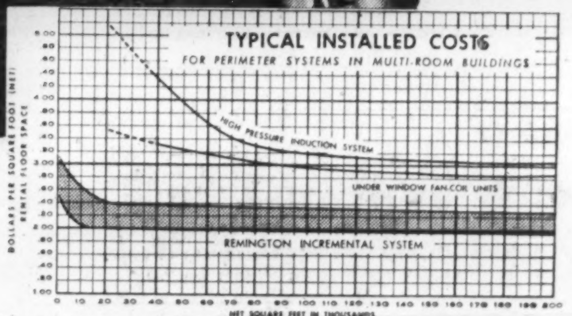
Heating or Refrigerated Cooling
From One Unit
CONTROLLED IN EACH ROOM



This one unit is the Remington *Conditioning Convector* . . . The most practical, efficient and economical solution to the air conditioning problem in multi-roomed buildings, such as offices, hotels, or hospitals. It distributes heat from a central steam or hot water system, or cools with its own self-contained refrigeration unit. Each unit is under the complete control of the room occupant, who may select his own temperature condition.

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Golfers Tee Up Building Spree

Spending $30 million on new courses, clubs . . .

MONTREAL (Staff) — A $30 million golf club building program is under way in Canada. Some 40 new courses are being carved out of pastures and wood lots.

Another 80, which could raise the ante to $90 million depending upon the types and sizes of clubhouses, are in the planning stage.

Even these won't be sufficient to look after accommodation for all those who want to tramp over bent grass fairways and closely clipped greens.

Canada's golfing population has doubled since World War II. Facilities have lagged far behind this pace.

According to Albert Murray, a veteran gold course architect who has built 34 courses since 1908, each 18-hole layout should occupy a minimum of 165 acres.

Costs, including land acquisition, generally range from $10,000 to $12,000 a hole.

Of course land costs would be much higher than the average near a big city.

Ten years ago, when its old clubhouse was destroyed by fire, Summerlea Golf Club in a green belt in industrialized Lachine, Que., rejected an offer of $400,000 for its property.

Worth More

The prospective buyer had intended to use the land for a housing development. It would be worth much more today.

Some of the courses being built are new ventures — like the 18-hole pay-as-you-play links in Vancouver due to open this year.

Others represent a change in location dictated by community growth and land values.

An example of this is Royal Montreal with a membership of more than 1,200 and two 18-hole courses on valuable lakeshore property at Dixie, Que.

Royal Montreal sold its land for an estimated $3.5 million, is re-locating with 45 holes on Ile Bizard, off the northern part of the Island of Montreal.

Elm Ridge, a lakeshore neighbor of Royal Montreal's, also is moving to Ile Bizard. It is offering for sale 2.7 million sq. ft. of land at its present site, adjacent to Montreal airport.

The oldest golf club in North America, Royal Montreal has come a long way since 1873 when it was founded as an 11-hole course on the slopes of Mount Royal.

The seven original members paid annual dues of $2.50 for the privilege of hitting gutta percha balls onto Fletcher's Field.

Today a $200,000 outlay for golf course landscaping and a $20,000 budget for the purchase of maintenance equipment is only the beginning.

In most cases clubhouses cost more than the course, ranging from $200,000 for strictly functional accommodation with modest furnishings to more than $1,000,000 for spacious, luxury premises.

In arriving at the estimate of $30 million for the 40 golf courses being built in Canada, **FP** used $500,000 as an average clubhouse cost.

Mississaugua Golf and Country Club at Port Credit, Ont., has just announced a $500,000 expansion project, including construction of a six-sheet $200,000 curling rink.

The remaining $300,000 will be used to build a new dining room and lounge, to improve other facilities and to convert the clubhouse to year-round operation.

There are 635 courses in Canada on which roughly 350,000 golfers try to knock some sense into golf balls.

Of the 350,000 golfers, 175,000 are full-fledged members of recognized clubs, spending an average of $300 a year on memberships, caddy fees, equipment, clothing, and refreshments.

The 175,000 others, who use public or municipal courses and sometimes line up for hours awaiting an opportunity to play, spent about $125 apiece.

Total annual outlay: $64.3 million.

More Women

A big factor in the demand for new courses is the upsurge in interest among women and juniors.

Women's play increased 20% last season, juniors were 15% more active. Further gains are expected for 1958.

Junior's interest was whetted by the junior development programs of the Royal Canadian Golf Association and the Canadian Professional Golfers' Association.

Last year the RCGA spent $8,082 — the proceeds of National Golf Weekend — on junior development, the funds being distributed through provincial associations.

In B.C., for example, golf instruction classes conducted by professional players were organized in some schools.

The success of this idea was confirmed, according to Robert Lyle, chairman of the RCGA's junior program, when the number of boys competing in the B.C. junior championship increased from 50 in 1956 to 250 in 1957.

Obviously, with interest expanding at that rate, the 40 new courses and 80 projected ones, won't be enough to meet the demand.

In a few years another wave of golf growth is due.

MOVING TO TORONTO

Grand Union - Carroll's Ltd., Hamilton, will soon be operating from its new head office and distribution centre in Rexdale, Toronto. Target date for the move has been set for May 15.

Construction Bankruptcy Halts Jobs

From Our Own Correspondent

HALIFAX — Major topic in Maritime building circles this week was: When will work be resumed on three major public contracts worth about $11 million—and by whom?

The jobs came to an abrupt halt last week when one of the biggest general contractors in the area, **Brookfield Construction Co.**, Halifax, went into bankruptcy.

One of the contracts was the 10-story federal government Ralston Building at Halifax which is within two weeks of completion. Another was a new treatment centre for the Nova Scotia Mental Hospital at Dartmouth.

Third and biggest was the $6 million contract from Central Mortgage & Housing Corp. to build 255 houses for army personnel at Camp Gagetown, New Brunswick.

Collapse of Brookfield Construction was said to have stemmed from exhaustion of financial resources through loss of money on contracts.

Creditors have been called to a meeting in the court house at Halifax, March 28.

CMHC officials were at the Gagetown site at the weekend and their report will decide when work is to be resumed.

Management Study Set at 'Western'

Business and government executives from across Canada and several foreign countries will be attending the 11th session of the "management training course" of University of Western Ontario's school of business administration July 28 to Aug. 29.

Purpose of the course: "To assist management in the preparation of men for wider administrative responsibility."

Method: The Harvard case method of examining actual executive problems.

Emphasis during the program will be on the effective working out of human problems in management.

Other class sessions will involve case problems in the major functional areas of business — production, marketing and cost of financial administration.

This year the course will be held in the new school of business administration building (**FP**, Nov. 2, 1957). Classrooms are air-conditioned and designed especially for case discussion.

The course is designed for experienced businessmen and the admissions committee makes the selection on the basis of administrative background. Last year 97 executives took the course.

'For Sale Only' Sign Is Up To Conserve Housing Funds

About $50 million remains of the federal government's $300 million direct lending fund for building low-cost NHA homes.

But it's earmarked now exclusively for houses for sale. No builders of apartments for rent need apply.

The boom was lowered for two reasons:

- **To conserve** what was left for the primary purpose of the fund: Low-cost houses.
- **To prevent** the apartment builders getting a more than proportionate share.

It was a case of a secondary aim in the direct funds plan threatening the primary purpose. When Ottawa set up the fund, the main idea was to provide houses for sale at a price within the reach of lower to middle wage-earners. Restrictions were placed on the size of the houses concerned and loans were limited to 25 per builder.

But another provision permitted the direct funds also to be made available for rental apartment building with rents restricted according to local levels. The apartment builders were allowed loans for up to 100 suites each.

As the fund was used up, word went out that the rental provisions would be cancelled after a given date. Immediately, the number of applications for loans for apartments started to rocket. In Ontario, they got to the stage where they were running almost 50-50 with applications for house loans.

Result: The boom was dropped on rental loans earlier than expected.

Meanwhile, the flow of normal NHA mortgages from banks, insurance companies and other approved lenders is at a higher level than a year ago. This totaled $7.1 million for 643 units in January as against $2.2 million and 232 units in the same month a year ago.

Sales Bonanza Open to All Thorncliffe Tells Realtors

Real estate brokers throughout Canada last week got a warm invitation to take part in one of the biggest selling jobs of its kind in Canada — the $75 million development by **Thorncliffe Park Ltd.** in Leaside, Metro Toronto.

The invitation came from Leslie Blackwell, president of the company.

He reported that the job was already off to a flying start with commitments for residential and commercial units, but assured realtors that the lists were open to them all.

"We have no exclusive attachment to a real estate company as far as agency is concerned," he said. "Business introduced to us by any real estate agent will be honored and eligibility for commission recognized."

The development, for which the plans were registered last month after more than two years of negotiation, includes:

- 4,500 apartment suites in medium and high rise buildings over more than 76 acres.
- Industrial "clean-type" plants on about 53 acres.
- Office and other commercial buildings on nearly 56 acres.
- A shopping centre with 2,000 car parking on nearly 22 acres.

This is the progress in development as reported last week by Mr. Blackwell:

- **Commitments for 300 residential units** with offers on another 290 units. This is 90 in excess of a target of 500 units set for 1958.
- **Transactions concluded with Dominion Stores** for a supermarket which will be available on completion of this year's residential building.
- **Inquiries from many oil companies** and interest shown by banks.
- **Numerous inquiries** from other types of enterprise in connection with the shopping centre.

To be decided very shortly as a matter of policy, said Mr. Blackwell, is whether the shopping centre will be operated by Thorncliffe Park Ltd. or other interests.

Three important agreements which featured in the development plan, he said, were:

New bridge: Leaside is building this over the Don River, and the cost, after deduction of a provincial grant, is being charged on the tax rate over 30 years.

Trunk sewers: An agreement with Metro Toronto does not require the cash to be put up immediately, but enables Thorncliffe Park to free any particular portion of land of trunk sewer commitments for transfer to a purchaser.

Schools: Expenditures under this head have been settled on a level calculated to pace the development.

TOWN OF ST. MARTIN, Que., Protestant school commissioners have sold $108,000 4% 1959-61 and $90,000 5% 1962-78 serial debentures to a syndicate headed by **Dominion Securities Corp.** at 96.96, indicating net cost of 5.521%. The provincial secretary has given a grant of $110,325 for the issue. Debentures are callable after Jan. 2, 1968. Proceeds are for construction of a 10-classroom school.

Company Report

Mining

STANROCK URANIUM MINES expects to reach full mill capacity by this fall, President Hugh Fulton says in the annual report.

Mining and stockpiling ore began in January, crushing and grinding of ore in mid-February and the mill started operations March 1. First shipments of uranium oxide should be made in April.

Stanrock will use only about one-third of "available ore of commercial grade" to fulfil its $95 million contract covering 9.1 million lb. of oxide with **Eldorado Mining & Refining** which expires in 1963, Mr. Fulton says.

Underground work is expected to provide additional information on tonnage and grade, he says.

There is no reason to expect further water problems in the mine, Mr. Fulton reports. Sinking of two shafts was delayed three months by water at around 1,600 ft., but this problem was overcome by grouting.

Tunneling westward from the shafts, which are on the eastern boundary of the ore body, together with drilling have indicated higher grade ore near the shafts than had been anticipated, he says.

Construction costs have exceeded original estimates by about $4,250,000, considered a "relatively small" overrun, Mr. Fulton says.

Additional funds were obtained by private placement of $3 million additional principal amount of first mortgage bonds and 300,000 shares of common stock.

Working capital requirements will be met by a revolving credit previously arranged with a Canadian bank for $2.5 million.

These funds are believed adequate to complete construction and provide working capital with safety margin, Mr. Fulton says.

As at Dec. 31:	1957	1956
Cash	$386,755	$462,039
Capital project fund	1,775,171	810,162
Accts., etc., rec.	29,125	1,000
Total curr. assets	2,191,051	1,273,201
Prepaid exp.	14,020	63,864
Deposits	142,614	8,700
Deferred explor. exp.	6,975,616	1,900,607
Organ. & financ. exp.	354,505	101,336
Debt discount	3,447,012	374,995
Mining properties	300,000	300,000
Bldgs., equip., etc.*	19,286,818	2,126,078
Houses under constr.	974,808	......
Total assets	33,676,444	6,148,781
Notes pay. (unsecured)	882,959	
Accts., etc., pay.	3,211,072	1,671,092
Long-term debt due	38,405	†2,400,000
Total curr. liab.	4,132,436	4,071,092
Long-term debt	26,468,695	
Capital stock•	3,075,313	2,075,002
Surplus	......	‡2,687
•After discount of	1,586,253	1,590,005
§Incl. in curr. assets in co.'s report.		
*Incl. construction in progress and advances against contracts; also, supplies in 1957.		
‡Represents unrealized profit on exchange.		
†Represents interim bond financing.		
Working capital§	1,941,385	2,797,891
•Excess of curr. liabs. over curr. assets.		

Note—As at Dec. 31, 1957, the company has contractual obligations and purchase orders for equip. and devel. work amounting to approx. $1,600,000.

AMERICAN NEPHELINE had net profit of $154,678 equal to 4c a share in 1957, down about 50% from net profit of $310,380 equal to 8c a share the previous year.

Sales dropped in 1957, both in physical volume and in dollar value, because of a decline in general business activity and the entry of further competition into the industry, President A. L. A. Richardson says.

In addition, discount on U. S. funds was about $50,000 higher in the year although exchange rates appear more favorable for 1958, he says.

Production costs were lower in the new mill but the reduction was not enough to entirely offset the revenue decline and other adverse factors, Mr. Richardson says.

Research and sales promotion are being directed toward use of nepheline syenite in other fields to diversify company's operations, and prospects so far are encouraging, he reports.

Ore reserves at year-end included 4.8 million tons of assured ore and 1.5 million tons of indicated ore. Production in 1957 totaled 156,018 tons of A-30 material and by-products.

Sales of all grades of nepheline syenite were 153,710 tons, a decline of 7% from 1956.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Sales	$2,155,713	$2,382,599
Less: Dec. in inv.	......	17,789
Oper exps.	1,450,911	1,583,987
Add: Inv. increase	2,992	......
Oper. profit	707,794	780,823
Less: Depr.	385,028	259,498
Def. dev. w/o	4,107	3,344
Prov for taxes	68,500	162,000
Disc. U.S. exch.	95,481	45,601
Net profit	154,678	310,380
Less: Dividends	164,000	164,000
Surplus for year	‡9,322	146,380
‡Deficit.		
Earned per Share	$0.038	$0.076
Paid	0.04	0.04
Shares o/s as at Dec. 31:		
Common, 50c par	4,100,000	4,100,000

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$306,666	$373,766
Short-term invests.	195,507	......
Accts. rec.	288,698	383,163
Inventories	225,098	203,567
Total curr. assets	1,015,969	960,496
Prepaid exp.▲	18,086	15,854
Deferred devel.	24,548	22,063
Misc. assets	20,896	15,044
Mining props.	75,499	75,499
Bldgs., equip., etc.*	2,852,227	3,108,640
Total assets	4,007,225	4,197,596
Accts., etc., pay.	220,236	215,400
Taxes pay.	48,482	57,393
Total curr. liabs.	268,718	272,793
Mtge. loans	1,223,559	1,422,538
Deferred inc. tax	120,636	108,868
Capital stock	2,050,000	2,050,000
Capital surp.	374,964	374,964
Less: Deficit	30,652	31,567
*After depr. of	1,900,608	1,520,913
▲Incl. in curr. assets in co.'s report.		
Working capital	747,251	687,703

REAL ESTATE

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Cities Service Co. Sees First Profit For Canadian Sub.

Cash earnings of **Cities Service Oil Co.** from its exploration and drilling operations in Western Canada are expected to exceed expenditures for the first time, its parent, **Cities Service Co.**, states in its annual report.

Expenditures for exploration and drilling have been large during the past several years, says Chairman W. Alton Jones.

A substantial part of this cost has been charged against earnings and, until this year, expenditures have exceeded earnings.

Company's competitive oil marketing position in Canada will be strengthened by completion of the new Trafalgar refinery, Mr. Jones says.

This refinery will have a capacity of 20,000 bbl. daily. Plans call for construction to be finished early in 1959. Cost will be about $27 million.

Sales of parent Cities Service Co. and subsidiaries in 1957 totaled $1,046 million, passing the billion-dollar mark for the first time in the company's history. Net income equaled $5.63 per share ($6.03 per share the previous year).

Profit margins were adversely affected in the last half by the demoralization of oil product prices throughout the U.S. and Canada, due primarily to overproduction of both crude oil and refined products following the Suez Canal crisis, the chairman said.

Building Products Sales on Increase

MONTREAL (Staff) — Sales of **Building Products Ltd.** for January and February showed an increase over the same months of 1957, President L. E. Long told shareholders at the annual meeting.

He said the increase was due to the "continued strong trend in residential building," and added, "political and economic conditions seem favorable for a continuation of this trend."

Building Products' new asphalt and vinyl floor tile plant at Hamilton is in the breaking-in stage and, according to Long, "promises to produce all the benefits we expected of it."

Early Start Seen On CNR Offices

MONTREAL (Staff) — Work will start soon on the **Canadian National Railways'** new $15.4-million, 16-story headquarters office building and parking garage, south of Central Station in downtown Montreal.

The building will be erected in accordance with the master plan of the 21-acre area around Central Station prepared by **Webb & Knapp (Canada) Ltd.** and featuring the 42-story Tower Building.

At present CNR staff in the city is scattered over some 20 locations. There are 1,500 employees occupying warehouse space.

ABITIBI POWER & PAPER had 497,190, 4½% preferred share outstanding as at March 13.

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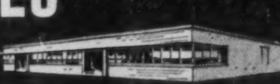

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ANNOUNCING

Important appointments in Canadian Industry, Finance, Business and Government

Burlington Steel Co. (Hamilton)—R. D. Fraser, appointed general manager.

Canadian Bank Note Co. (Ottawa)—C. R. Worthen, appointed assistant to the president.

Canadian Design Service Co. (Toronto)—T. Ridgley, appointed general manager; V. Murgaski, assistant to the president; W. H. Johnson, project director; G. Dahan, manager of the Montreal branch.

Canadian Industries Ltd. (Montreal)—H. G. Campbell, appointed sales manager, chemical division.

Canadian International Freight Forwarders Asso. (Montreal)—H. D. Walmsley, elected president.

Canadian National Railways (Montreal)—Ralph T. Vaughan, appointed assistant to the president.

Chatelaine (Toronto) — Maurice J. LaTour, appointed Eastern advertising representative and will be located at Montreal; E. H. Gittings takes over as manager for Eastern Canada.

Diamond Alkali Co. (Cleveland)—Alexander D. St. Clair, appointed Canadian sales representative.

Dilworth Secord and Associates Ltd. (Toronto) — George V. Meagher, joins the company as principal and third partner.

Grand Union Carroll's Ltd. (Hamilton) — Vincent A. Murphy, appointed office manager; James R. Campbell, warehouse superintendent.

Great-West Life Assurance Co. (Winnipeg) — Russell King, appointed manager of Montreal mortgage investment office; J. C. Davey, Toronto Western manager.

Gunite Steel Corp. (Montreal) — Joseph A. Torch, named president of this new organization.

Hill-Clark-Francis Ltd. (New Liskeard)—Hon. Charles P. McTague, appointed director.

Howard Smith Paper Mills Ltd. (Montreal)—A. J. Black, appointed assistant to sales manager; R. E. Richardson senior sales in Toronto office; R. A. McDonald, takes over manager Western sales, in Winnipeg.

Inland Natural Gas Co. (Vancouver)—W. D. Alexander, appointed treasurer.

John C. Virden Ltd. (Toronto)—Cy E. Birt, appointed general manager and director.

J. Walter Thompson Co. (Toronto)—Ross Sharpless, appointed senior art director. He will be transferred from the company's Frankfurt-am-Main (Germany) office; Gray Perkins, account representative.

Leo Burnett Co. of Canada (Toronto)—E. M. Sinclair, appointed manager of Toronto office; Howard E. Whiting, vice-president; E. W. Hudson, vice-president and senior account supervisor.

London Life Insurance Co. (Toronto)—R. W. Peters, G. S. Woolsey both appointed superintendents of agencies; C. F. Byron and C. C. Johnson, both become assistant supervisors.

Montreal Life Insurance Co. (Montreal)—J. A. Toller, appointed director and member of the executive committee.

Seiberling Rubber Co. of Canada (Toronto)—W. Horace Mason, appointed president and general manager. He succeeds Marcus L. Brown, who will retire April 1.

Standard Life Assurance Co. (Saint John)—Graeme A. Mahony, appointed branch manager. He succeeds his brother Eric H. Mahony who has been appointed manager of Calgary branch.

Stevenson & Scott Ltd. (Montreal)—A. W. Houghton, appointed executive vice-president; S. C. Young, vice-president.

Sylvania Electric (Canada) Ltd. (Montreal)—M. Robert, appointed industrial relations manager.

Young & Rubicam (Toronto)—W. Harold Poole, rejoins the company as head of the marketing services department.

Liquor Looser In Saskatchewan?

From Our Own Correspondent

SASKATOON—A slight loosening of Saskatchewan liquor laws is foreseen.

Provincial Treasurer C. M. Fines says the government wants "minor" changes.

Main examples:

- **Allowing residents to drink outside** their homes as long as they are on their own property.
- **Allowing unlimited** quantities to be purchased.

A person now may not buy more than 80 oz. of hard liquor in one day. Saskatchewan is the only province, Fines says, where such a restriction exists.

One of the other changes the government wants is to increase penalties for minors entering licensed premises.

A 10-member committee also will be appointed to study possible changes in Saskatchewan liquor regulations.

The committee apparently will travel to Manitoba and Alberta to study the working of amended liquor laws in those provinces.

The committee will present its report before July 31 this year.

Saskatchewan OKs Hospital, Offices

From Our Own Correspondent

SASKATOON — A hospital, an office building and university buildings are among the projects to be started this year by Saskatchewan's public works department.

Works Minister C. G. Willis explained the $8.8-million budget for public works:

- A 20-bed hospital in Lac La Ronge in the north.
- Construction also will begin on a three-story office building at North Battleford.
- A start will be made on an animal husbandry building, an arts building and a biology building at the University of Saskatchewan.

Among the projects already under way and to be completed this year:

- A provincial laboratory at Regina.
- A new court house in Saskatoon.
- A 120-bed addition to the mental hospital in North Battleford.

Announce $75,000 Student Contest

Johnson & Johnson, Montreal, has announced that it is for the second time sponsoring a university scholarship contest in conjunction with its U.S. associate company, **Johnson & Johnson,** New Brunswick, N.J.

The two companies are offering 49 paid-up educational insurance policies totaling $75,000, open to any resident of Canada or the U.S. Object: To write a 50-word "essay" on the topic, "A good education is important because . . ."

ART DIRECTORS AWARDS

The Art Directors Club, Toronto, this week named the following gold medal winners in its annual exhibition: Alex Ness, art director, **Lever Bros. Ltd.**; Fred Forsyth, artist, **Wm. R. Templeton Studios**; Leslie Trevor, art director, Canadian Arts Council; Frank Lewis, designer, Josh White Show; Desmond English, assistant art director, Maclean's Magazine; Harold Town, artist, Maclean's Magazine; and David Mackay, art director, Tabloid. Jury included: Charles A. Comfort, president, Royal Canadian Academy, professor of art and archeology, University of Toronto; Peter Haworth, president of Ontario Society of Artists; and W. David Feist, president of Art Directors Club, Montreal, are director, **Harold F. Stanfield Ltd.**, Montreal.

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STRONG DISTRIBUTOR SUPPORT PROGRAM
Large manufacturer who is subsidiary of internationally known corporation listed on N.Y. Stock Exchange to assist distributor with advertising, publicity and field men. Territorial leads turned over to distributor. No house accounts.

OUTSTANDING PROFIT OPPORTUNITY
... for aggressive individual or group. Requires from $10,000 to $25,000 working capital. Comprehensive information on program mailed. Will assign territories rapidly. Prompt action essential. Replies confidential.

P.O. Box 785, Place d'Armes — Dept. 6 Montreal, P.Q. (Canada)

SELL OR MERGE

LARGE LUMBER BUSINESS

Company has 4 large lumber mills and wholesale selling organization located Westcoast; owns outright over three hundred million feet with reserves to perpetuity with up to five billion feet saw logs, and one of the last remaining big stands of Western timber and pulp material totalling over fourteen billion feet.

Due to reasons of health and advancing age of principal shareholder-owner, would consider sale-merger or partnership. One million dollars required. Reply in confidence to:

Norman Brooke, Vice-Pres.
GUARDIAN TRUST CO.
Montreal, Canada

OPPORTUNITIES

FOR SALE

Fully equipped, well established Sash & Door Factory complete with building in the City of Winnipeg.
Bowling Alley in Greater Winnipeg, 10 lanes. Building seven years old.

Apply Box 750, The Financial Post, Toronto

SALESMAN

Experienced salesman wanted for legal books by well-known publishers. Apply in writing with full particulars including age, experience and qualifications to

BUTTERWORTH & CO. (CANADA) LTD.
1367 Danforth Ave., Toronto 6

DEFERRED LOANS

up to two years at current bank rates. Please contact solicitor of Corporation for details.

Box 753, The Financial Post, Toronto

FOR SALE
GENERAL CONTRACTING COMPANY

Located in Ontario, Canada. Has enjoyed high reputation in the building industry for many years. Contracting firms interested in expansion would find purchase advantageous. Investment of $250,000 would be required. Address

Box 746, The Financial Post, Toronto

SALESMAN

Experienced salesman wanted for medical books by well-known publishers. Apply in writing with full particulars including age, experience and qualifications to

BUTTERWORTH & CO. (CANADA) LTD.
1367 Danforth Ave., Toronto 6

FOR SALE
MANUFACTURING COMPANY

Manufacturer of roller, belt and overhead conveyors is for sale. Located near Toronto. Modern plant with land for expansion. Controlling interest available to the right person for $40,000 or outright purchase. Principals only.

Box 712, The Financial Post, Toronto

MORTGAGE COMPANIES

Fast growing brokerage firm with offices in Edmonton and Calgary seeking to act as correspondent in the placing of mortgage funds in the above areas.

Also have access to qualified professional appraisor.

TRANS-CANADA MORTGAGE BROKERS LTD.
BARRY BUILDING
10128—103 ST., EDMONTON

$300,000.00 to $500,000.00

Responsible Party will invest up to $500,000.00 to purchase well established business which must stand strictest investigation. Will, also, consider purchasing one half interest in the business which could continue to operate under present management.

Box 601, The Financial Post, Toronto

BUSINESSES FOR SALE

We, as a Trust Company, have for sale two companies. One Company, located in Toronto, is engaged in the wholesale stationery and printing business. The other, located in a Western Ontario City, is engaged in metal fabricating and the jobbing of metal products. In neither case does a managerial problem present itself in the event of transfer of ownership.

Either of these companies are for a price to be negotiated in the $400,000.00 area. Both are long established concerns with favourable reputations in their respective fields and, in each case, a strong net current asset position exists.

Complete particulars will be gladly supplied to genuinely interested primary enquirers.

BOX 749, THE FINANCIAL POST, TORONTO

CAREERS

This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

SECURITY ADVISER available

Science Graduate, 37, wants to devote full time as Security Adviser or Analyst. Canada or U.S.A.

Box 745, The Financial Post, Toronto.

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$9.80 per col. inch per insertion (70 cents per agate line, 14 lines constitute one inch). Closing date — Copy must be in Toronto Office by Monday a.m. Display advertising in this section payable in advance.

ACCOUNTANT

Required by a large paint manufacturing company in Toronto. This is a responsible position requiring an accountant who has had experience in industry. Good employee benefits.

Reply in your own handwriting stating age, experience, education and salary required to

Box 762, The Financial Post, Toronto

REFINERY ENGINEER

A major oil company in the Montreal area has an attractive opening for an experienced maintenance engineer.

Candidates should be fully qualified Mechanical Engineers with about ten years experience, preferably in oil refinery or petrochemical maintenance work. Salary commensurate with experience.

In replying please give complete details of education and experience.

BOX 763,
THE FINANCIAL POST, TORONTO

WANTED

Senior Construction Estimator for long established middle sized Construction Company in Northern Ontario, doing all type of heavy Industrial and Commercial Construction. In application please show complete academic and construction background, as well as age and marital status. Salary will be commensurate with experience and ability. Box 758, The Financial Post, Toronto.

ACCOUNTANTS

Large Utility requires two Chartered Accountants (or Certified Public Accountants) who are interested primarily in opportunities for development and advancement. Applicants preferably should be between 30 and 35 years of age, with a few years' experience in industry. A mathematical and analytical background would be desirable for one of these positions.

Please reply giving qualifications, experience and starting salary expected to

BOX 755,
THE FINANCIAL POST, TORONTO

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CURRENT LISTINGS
(Placement fee paid by employer)

WANTED: Industrial Engineering Analyst for electronics firm in Niagara Falls area, age to 35 years, $135 week to start plus benefits. File #1672.

WANTED: Construction Engineers for large American construction company with projects in Spain, South America, India, Alaska, age to 40 years, A-1 health, salary $11,000 to $15,000 depending on experience. File #1671.

WANTED: General Manager for Saskatchewan Mfg. Co. age to 40 years, ten years successful business background, $175 week to start degree business administration. File #1669.

WANTED: General Manager for Toronto consumer metal products mfg. company, college degree — age to 45, salary $160 week to start. File #1668.

WANTED: Chief Accountant for Toronto paint mfg. company, C.A. degree, age to 35 years, salary $150 week plus benefits. File #1664.

WANTED: Senior Sales Representative for Hamilton area steel fabricator company, age to 45 years, 10 years steel selling experience, salary $150 to $200 week plus benefits depending on sales record. File #1663.

WANTED: Senior Sales Engineer for large mfr. of industrial boilers, heavy machinery, mechanical engineer's degree, age to 45 years, salary $160 to $180 weekly. Canada coverage. File #1662.

WANTED: Sales Manager for well known cosmetics mfg. company, must have successful cosmetics sales record, age to 40, B.A. degree, salary $200 to $250 weekly plus benefits. File #1661.

WANTED: Sales Supervisor for major oil company to install lessees into new service stations, advise lessees on business methods, etc., age to 40 years, salary $130 to $160 week plus expenses. File #1655.

WANTED: Office Manager accountant for small metal fabricating company in North Toronto. C.A. degree, age to 35 years, salary $130 week to start, A-1 working conditions. File #1654.

WANTED: Personnel Manager for 500 employee Toronto Mfg. Company, age to 40, salary $150 to $175 weekly depending on experience and degree. File #1673.

WANTED: Plant Manager for Kitchener-Galt area metal products mfg. firm, age to 40 years, salary $135 to $160 week plus benefits. File #1604.

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INVESTMENT MAN of experience and ability with a desire to work. Edmonton would be his headquarters. This is a most interesting opening for a man with ambition. All replies treated with strict confidence. Write directly to:

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Long established conservative retail organization, specializing in hi fi, television, pianos, furniture and appliances, requires an experienced administrator to take full responsibility for sales management.

The successful candidate will probably be 35 to 45 years of age. He will have established his sales and leadership ability, probably in retailing. He will have a good understanding of the relationship of sales to other areas of management and will have had the training to be a potential candidate for general management responsibility.

Apply in writing to:

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LIMITED
Management Consultants
63 SPARKS STREET OTTAWA

PERSONNEL MANAGER AVAILABLE

Age 28, B.A. Degree, majoring in Industrial Sociology. Experienced as Personnel Manager of two industrial plants in placement and selection, job evaluation, merit rating, company benefits, employee counselling and administration of union contracts.

APPLY BOX 751, THE FINANCIAL POST, TORONTO

SALES REPRESENTATIVES

Old established manufacturer of electrical heating and cooking appliances, Rangettes, Ranges; new Built-in Ovens and Cooking Tops, requires two experienced sales representatives with cars, one for South Western Ontario and one for Northern Ontario and North Western Quebec. Two other non-competitive lines permitted. Interesting commission. All correspondence confidential.

BOX 747, THE FINANCIAL POST, TORONTO

CAN YOU USE ME?

28 Years' Experience from Salesman to Dealer President retailing new cars and trucks for The Big Three in Ontario. Thoroughly familiar all phases retail automobile merchandising. Operated 2,000 new unit franchise grossing 8 million dollars annually. Good organizer. Fluent speaker. Considerable knowledge various advertising media, including sales promotion. Loyal, conscientious, sober, hard worker. Excellent character and references. Age 48. Married. Toronto resident. Prefer Toronto location. Available immediately.

Box 756, The Financial Post, Toronto.

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FOR HIRE: Experienced Sales Manager (Age 44) with twenty-year record of consumer and industrial sales results — now in west wishes to return to Toronto — best of references — present salary $10,000 plus — capable of breathing new life and spirit into sales organization — building enthusiastic dealer organization etc. —
Photo resume outlining employment history and job qualification in detail, mailed on request — Placement fee $550, employer protected with one year performance money back guarantee. Telephone William Draper at Clifford 9-6865 or write care of —

W. R. DRAPER AND ASSOCIATES
1435 LAKESHORE RD., TORONTO 14, ONTARIO
Executive Placement and Management Consultants

Required: Assistant for Advertising and Public Relations Dept.

Large national advertiser requires a qualified assistant to work directly with the Manager of the Advertising and P. R. Department. A young Canadian, about 27 years of age, must have ability as a writer, at least five years' experience with a Canadian advertising agency or national advertiser, workable knowledge of printing and production. Good education and pleasing personality with the ability to get along with people also necessary requisites. Duties will include editorial and make-up work on staff magazine, preparation of press releases and promotional material, and ultimately to assume added responsibilities in connection with the large advertising programme. Benefits include an excellent pension plan, medical, hospitalization and group insurance plans. Please write fully giving the particulars you think will prove your qualifications for the position offered, stating salary desired, and address your reply to

BOX 757, THE FINANCIAL POST, TORONTO
All replies will be treated in strict confidence.

ADMINISTRATIVE ASSISTANT

Required by Provincial Co-operative organization to undertake various accounting projects, under the Controller including: Budget, cost control, methods, procedures and systems. Training programs for accounting and office staff and other related projects of a research nature.

University graduate preferred in commerce, Management of Business administration with some related experience.

Position offers salary in the neighbourhood of $6,000 per year plus good benefits including pension and sharing or earnings.

Please reply in writing stating full details to

The Personnel Manager
UNITED CO-OPERATIVES OF ONTARIO
35 Oak Street, Weston, Ontario

GENERAL ACCOUNTANT

Nationally known manufacturer of durable goods located in Toronto requires the services of a general accountant.

This position calls for a broad knowledge of machine accounting methods and procedures as related to the preparation and maintenance of sales and manufacturing budgets in a multi plant operation.

Candidates should be Chartered Accountants or equivalent with at least 5 years' experience in industrial accounting and proven ability in staff administration.

Age 30-40.

Starting salary $8-$10,000 dependent on qualifications.

Replies in writing should stage age, education, experience, present salary and be addressed to:

J. D. WOODS & GORDON LIMITED
15 WELLINGTON ST. W., TORONTO, ONTARIO
Replies confidential.

MINE MANAGER
REQUIRED

For an important mine in East Africa where there are some 4,000 employees including approximately 400 Europeans. This is an important position and requires a man of first class proven ability and experience. He will be responsible to board of directors for all aspects.

Management of mine applicants must now hold or have held a senior position in the mining industry. Conditions of service include free furnished accommodation and amenities on high scale.

All applications will be treated in strict confidence. Please write in first instance giving full details of reference, age, qualifications and salary expected to Box 732, The Financial Post, Toronto.

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What's New

New products, new uses, new ideas, new money-makers. We report them here and invite your contributions. Write to 481 University Ave., Toronto.

Dishwasher-Dryer

Latest in kitchen convenience is an automatic portable dishwasher-dryer. Takes 34 min. for complete washing and drying cycle and uses only five gal. of water during operation. Holds dishes, glassware and silver from nine average place settings. Features a twin hose adapter which fits any faucet and a retractable electric cord. List price is $300.

• • •

Dynamic Braking

Recent development in mine hoists is a dynamic braking system using low frequency AC as the medium. Equipment has shown superiority over the conventional DC dynamic braking methods in several mine hoist operations, says **Canadian Westinghouse Co.** Low frequency dynamic braking can be applied to existing AC hoists for improvement of their operations. Tests are being completed in application of this system to other drives such as ball mills and centrifuges.

• • •

Polyvalent Flu Vaccine

Available to Canadian physicians is a polyvalent influenza virus vaccine. Formula complies with the suggested formula of the U. S. Public Health Service. It is considered the most effective combination to provide the best immunity against the various strains of influenza viruses that have been isolated so far. Recommended adult dosage is one cc repeated in one to two weeks.

• • •

Cast Bronze

Now being marketed is Super Bronze. Consists of fully machined bronze bars and cored bushings. Designed for use in maintenance and repair of machinery and plant equipment, and in production throughout Canadian industry.

• • •

Magnetic Tape Eraser

For movie camera and tape recording enthusiasts: There's now a high speed electrical eraser. Can remove magnetically recorded sound or pictures from a complete reel within half a minute. Erasing is done by automatic rotation of reel inside an alternating magnetic field generated by a 60 cycle current passing through a large air core erasing coil. This neutralizes all magnetic traces from tape which can be used for new material.

• • •

Automatic Chlorinator

In production is an automatic chlorinator which operates by water power instead of by electricity. It injects a stream of chlorine bleach into water in quantity required to protect health. Suitable for commercial water systems, home, or farm.

• • •

Lightweight Copier

Continuing the trend to more inexpensive office equipment is a compact 14-lb copier which accepts originals up to 8½ in. by 11 in. Said to be one of the first copiers to use a curved glass platen. If used to copy 24 originals daily, this bantam unit will amortize its $110 cost in less than a month, it is claimed.

• • •

Cheap Heat Pump

On the market is a cheap and compact heat pump designed specifically for the home building market. Will heat or cool a seven-room house in temperatures from —20 deg. to 120 deg. F. Costs about $2,000 in the U. S.

• • •

Plastic Conduits

Available are flexible spiral plastic conduits claimed to be superior to standard ones. Are electrically insulated, noncorrosive and fire resistant. Inside diameters range from 5/16 in. to 1⅞ in. Recommended by the German Test Commission and said to have many uses in electrical and appliance industries.

Inert Gas Dispenser

For the metalworking industry: A manual unit for application of inert gases in shielded arc-welding process. Method is now used not only to weld but to cut and spot weld all commercially weldable metals. Generally, it employs a consumable electrode in wire form. This spooled wire and the inert shielding gas (argon or helium) are fed to a weld at very high speeds by pressing the gun's trigger. The inert gas envelopes the weld area to prevent atmospheric contamination. Result is said to be smooth joints.

Sports Cage

Now available: A sports cage with wire meshing which can be installed in the home. Has sufficient room for eight persons who can play modified versions of tennis, basketball, squash, etc. Floor measures 12 ft. by 24 ft., and is nearly 11 ft. high. Is enclosed by a wire mesh. Sells for around $1,800 in the U. S.

New Literature

Anachemia Chemicals Ltd., 500 Second Ave., Montreal 32, announce a booklet listing over 4,000 organic and inorganic chemicals and special solutions.

'57 a Record In Drug Field '58 Higher?

MONTREAL (Staff)—Revised estimates in the pharmaceutical trade indicate that sales in 1957 reached a record $122 million, up more than 10% from the previous year's $108 million.

A corresponding gain is expected for this year.

Annual financial statements of pharmaceutical companies for 1957 are expected to show modest increases in profits.

Cost of materials rose to $42 million from $38 million in 1956.

Salaries and wages at $28 million were $2 million higher.

Company Reports

Public Utilities

TELEPHONE D'HARRICANA & GATINEAU LTEE., Val D'Or, Que., net profit of $153,578 for 1957 was 7.7% higher than 1956's $142,576.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Total revenue	$536,409	$537,847
Less: Oper. exps.	203,437	194,725
Net earnings	332,972	343,122
Less: Deprec.	27,950	26,186
Bond int.	25,409	28,606
Taxes	126,035	146,754
Net profit	153,578	142,576
Less: Divds.	....	44,400
Surplus for year	153,578	98,176

Note—Operating expenses include $14,497 charged to 1956 operations, but which was chargeable to 1953-55 for Quebec Educational Tax.

Times Bond Interest Earned:		
Before deprec.	13.10	11.99
After deprec.	12.00	11.11
Earnings per Share and Dividend Record:		
Common	$4.13	$3.85
Paid	♦1.60	1.20

♦Paid in form of tax paid stk. divd. & redeemed for cash.

Shs. o/s at Dec. 31:		
Common, n.p.v.	37,200	37,000

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$236,168	$54,200
Accts. rec.	54,307	98,746
Inventories	43,112	37,651
Total curr. assets	333,587	190,397
Def chgs.	3,206	3,582
Misc. assets	41,676	38,500
Fixed assets	1,357,276	1,306,936
Total assets	1,735,745	1,539,615
Accts. pay.	139,895	20,658
Taxes pay.	51,665	43,283
Total curr. liab.	191,560	63,941
Def. credits	119,852	108,399
Funded debt	494,500	536,500
Capital stock	466,998	461,998
Surplus	432,484	277,860
Tax-pd. surp.	30,351	90,917
Working capital	142,027	126,656

Automotive

FORD MOTOR CO., Dearborn, Mich., net profit of $282,754,541 for 1957 was 19.5% higher than 1956's $236,596,236.

Sales were a record in dollars, up 24% to $5,771 million, say Chairman Ernest R. Breech and President Henry Ford II.

Net income of $283 million was 20% greater than 1956 and second only to record $437 million in 1955. Net income as a per cent of sales declined to 4.9% from 5.1% in 1956 and 7.8% in 1955.

Company's new line of cars, the Edsel, was introduced in September. Sales in the first five months after its introduction did not meet company expectations it is stated, primarily because of adverse conditions which developed in the medium price field. Company is continuing its efforts to establish the Edsel in the automotive market.

Ford of Canada's share of Canadian passenger car registrations declined to 29.2% from 29.5% in 1956, and truck registration dropped to 25.4% from 26.7% in 1956. The slightly higher market penetration in 1956 was partly the result of a strike.

INCOME ACCOUNT

Yrs. Ended Dec. 31:	1957 $	1956 $
Net sales	5,771,274,697	4,646,966,339
Net earnings	753,151,188	612,910,776
Less: Deprec.	177,061,636	133,539,980
Int. on long term debt	6,735,011	574,560
Income taxes	286,600,000	242,200,000
Net profit	282,754,541	236,596,236
Less: Divds.	130,670,958	129,567,844
Surp. for year	152,083,583	107,028,392
Earnings per Share and Dividend Record:		
Earned	$5.20	$4.38
Paid	2.40	2.40

Based on average no. shs. o/s (54,419,192 in 1957 and 53,956,792 in 1956).

Shares o/s at Dec. 31:		
Com., $5 par	54,485,570	54,013,695

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957 $	1956 $
Cash	77,464,184	96,660,982
Market. secur.	187,690,273	118,470,322
Accts. receiv.	151,506,750	134,920,275
Inventories	653,594,572	597,493,385
Tot. curr. asts.	1,070,255,779	947,544,964
Prepaid exps.‡	21,071,991	19,631,691
Defer chgs.	71,383,323	38,333,461
Inv. in subsids.	96,677,599	88,764,385
Other invests.	12,786,603	12,294,798
Fixed assets▲	1,842,297,027	1,686,065,619
Total assets	3,114,472,332	2,792,634,918
Ac. pay. & accr.	572,184,174	683,104,172
Inc. taxes♦	84,048,437	......
Tot. cur. liabs.	656,232,611	683,104,172
Long term debt.	260,000,000	58,615,000
Reserves	42,478,139	47,048,444
Supp. comp. awards	16,288,038	16,386,726
Cap. stock	272,427,850	270,068,475
Cap. surplus	279,638,639	272,068,639
Earned surplus	1,597,407,045	1,445,323,462
▲After dep. of	780,968,098	649,323,712
Working capital	414,023,168	264,440,792

‡Included in curr. assets in co's. report.
♦Net of U.S. Govt. securities.

he thought it didn't matter

Some months ago we were appointed the administrator of an estate where there was no Will. The assets of the estate had belonged to a man under forty who had neglected this very important matter, yet the estate involved eight people as well as the Government.

The simple act, on his part, of having a Will drawn, might have saved his wife and family considerable money, not that he was a wealthy man, but because he was a beneficiary under another estate.

You, too, may be putting off an examination of your affairs which may prove expensive and troublesome later on. Our estate planning service is available to you without cost, and you may review your affairs with men who have extensive experience in planning estates to save money and provide security.

We shall be pleased to arrange an appointment with you at any of our conveniently located offices.

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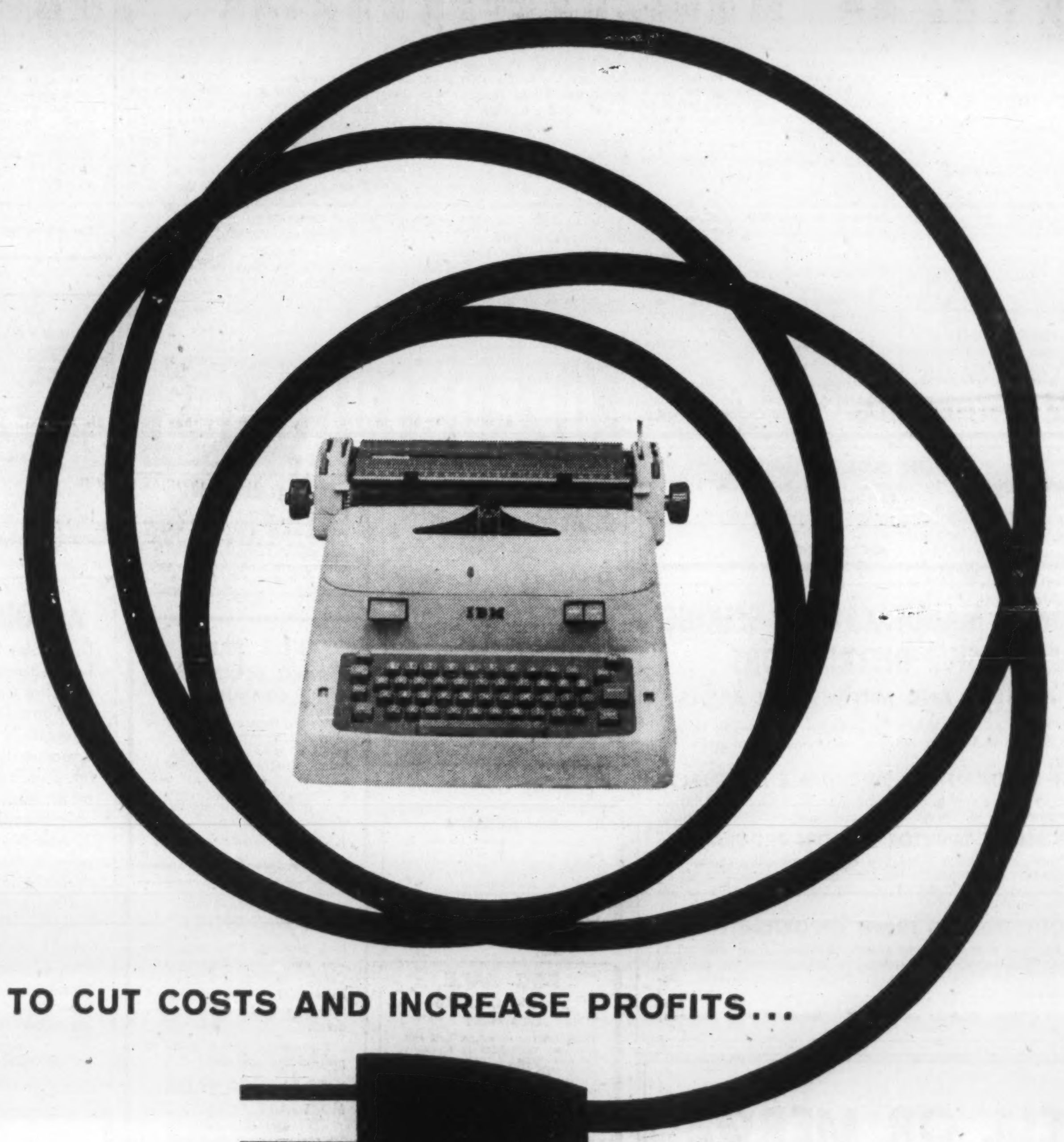

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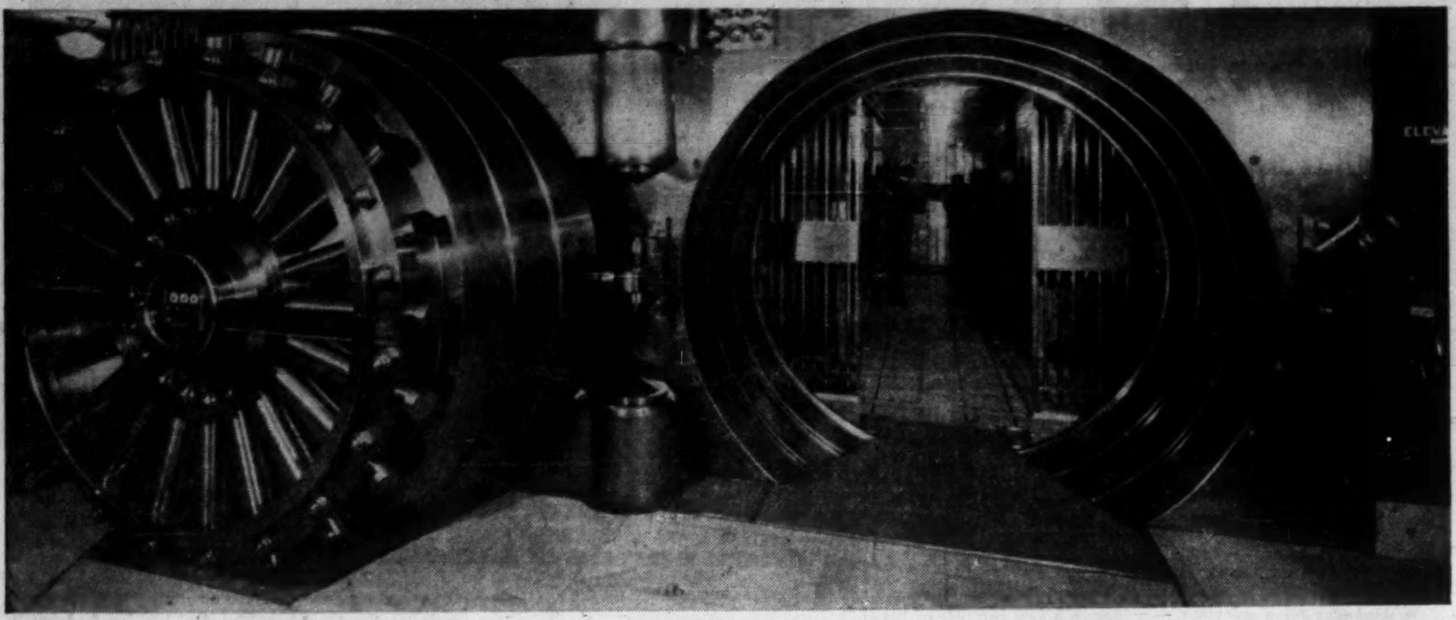
The Financial Post

Vol. LII   Publication Office: Toronto, March 22, 1958   No. 12



Will Burglary 'Boom' Hike Insurance 50%?

A SPECIAL REPORT

By ERIC RICHTER

A grim business boom is flowering on the wrong side of the law.

The changing but ever-felonious habits of the Canadian underworld are threatening to jack up rates for many kinds of theft insurance.

All those headlines featuring robbery and burglary are no coincidence. Underwriters tell **FP** they are taking big losses in certain classes of these broad crime categories.

Experience is worst for burglaries of safes and vaults. Also bad: Losses resulting from forcible entry of business and commercial premises.

In the holdup field, gunmen are moving indoors.

Losses from "inside" holdups — those taking place inside insureds' premises — are rising fast. "Outside" holdups haven't shown such serious growth. Overall, the problem is pressing.

For example, a Montreal report says holdups were up 80% in that city last year.

Bankers today are most worried by the one-man holdup. This is a quick grab-and-git operation tough to combat.

Meanwhile some police contend that the law is over-motorized. As a robbery and burglary preventative, they say, there's nothing to top the cop trudging his beat.

Insurance men aren't ready to say yet where and how Canadian rates will rise. In any event, rates vary so widely by locality and type of coverage that any kind of general statement is deceptive.

But by way of example, industry sources suggest rates on burglary coverage of some types of safes may be increased by up to 50% in metropolitan areas where the crime record is bad.

There are few clear-cut answers to explain the increase in the number of robberies and burglaries. Some authorities tend to blame the business recession and large numbers of jobless.

Certainly many accused who plead guilty these days are offering "unemployment" as an excuse in the courts.

Police, however, decline to lay all the responsibility on the doorstep of unemployment.

Our Courts Crack Down

Incidence of crime, they say, runs in cycles — good times or bad.

In times of prosperity, they add, courts are inclined to pass lighter sentences. These, they argue, tend to reduce the value of punishment as a crime deterrent. In addition they mean the habitual lawbreaker will be out of prison just that much sooner.

Indications are now that the country's courts are cracking down on mounting crime. In Montreal recently a 25-year-old man drew a sentence of 10 years for a $22 holdup. He had one previous conviction eight years earlier.

Clemency, said the judge, was out of the question due to the rising rate of crime.

Another factor: A marked shift in police methods since the end of the war. Studies in major North American centres have indicated that some police departments are over-mechanized.

Greater use of the prowl car, while it has increased chances of apprehending a criminal, has reduced the value of the policeman as a crime deterrent.

Police experts also report that general prosperity and growth of Canada may be a factor in the increase. Today there are more residences and businesses worth robbing. As a result there is more temptation for the criminally inclined to try for "easy money."

Also relevant is the increase in the number of automobiles on the street. Police say the well-schooled robber or burglar today frequently will steal a high powered get-away car before setting out.

Car manufacturers, say police, have done little or nothing in the past few years to make their vehicles harder to steal.

"In fact you might say the manufacturers have actually been regressing," one veteran police official told **FP**.

"The locked steering wheel — which hasn't been a feature for years — was one of the best anti-theft devices ever incorporated in a car.

"Take the hard-top convertible. Any experienced crook can get into one simply by using a twisted coat hanger."

Another complication is difficulty in obtaining new recruits for the nation's police departments and keeping officers already in service from leaving to take jobs elsewhere. Many departments, therefore, are understaffed.

Salaries are low — $3,000 to $3,500 per year is not uncommon for a first-class constable — and many men object to working necessary split shifts.

In Montreal, the police force is from 400 to 500 men under strength. Even extensive advertising in local papers has failed to produce sufficient recruits.

Also, criminals are getting smarter, more daring and going to their "jobs" better equipped.

In a recent $1.8 million bond theft in Montreal — one of the largest hauls in North America — burglars used power drills, explosives and specialized equipment to hack their way through a steel-reinforced concrete vault and rifle safety deposit boxes.

They even set their own "burglar alarm" on the establishment's front door to provide a warning should anyone try to enter the building.

Bank Robberies Increase

Bank robberies, too, appear on the upswing.

Take the Montreal area again as an example. Last year there were no less than 43 bank attempts which netted robbers just over $300,000. Of this amount $47,500 was recovered. Of the 43 bank cases, 21 were solved by police, resulting in the arrest of 30 persons, conviction of 17. Eleven persons still await trial or sentence.

The figures include robberies of branches of the Caisse Populaire (provincially chartered institutions with limited banking functions) as well as regular chartered banks.

The robbery bankers fear most is the one man stick-up job.

In this crime the robber suddenly materializes at the teller's cage, threatens the teller with a gun and demands money either verbally or by pushing a note through the wicket.

A bank heist of this nature can be pulled off so quickly that the bandit frequently scoops up his loot and beats a retreat before the rest of the bank staff knows anything about it.

The Loot Usually Small

The banker's chief consolation is that the amount of loot that can be collected by a robber in this way is usually small. Banks have stringent regulations governing the amount of cash the teller can have on hand in the cage at any one time. Theory is that the teller can't be forced to hand over what he hasn't got.

While there have been relatively few bank burglaries—break-ins rather than stick-ups—this is an ever-present threat.

Probably one of the major deterrents to bank robberies is a standing reward offered by the Canadian Bankers' Association for information leading to the arrest and conviction of any person who has robbed or attempted to rob any branch or office of a bank that is a member of the association.

Since the rewards were started in 1924 the association has paid out almost $500,000.

Bank protection measures have captured the fancy of the general public — probably because almost everyone has a bank account and feels involved.

Every major bank robbery can be expected to trigger off a deluge of suggestions on how banks can be made more robber-proof.

"We appreciate their interest but unfortunately most of the ideas are impractical. The banks themselves have already considered and rejected many," one bank official told **FP**.

Some people would build a trap door in the floor on the customer's side of the teller's cage. If held up, the teller would then only have to push a concealed button to spring the trap and send the robber sliding into the basement.

Others suggest squirting the stick-up artist with an insoluble dye for easy identification. Some advocate a concealed tear-gas mechanism which could be used to blind the robber.

Other suggestions range from installing bulletproof glass in the teller's cage to an automatic door-locking mechanism which, when activated, would lock the front door and prevent the robber's escape.

Basic trouble with all these ideas is that more innocent customers than robbers likely would be ensnared.

Even now tellers sometimes touch off the alarm system by accident bringing hordes of police to the bank.

"Can you imagine what a poor old lady would think if she were dumped into the basement because a teller accidentally brushed against a button activating the trap door mechanism?" asks a bank official.

On numerous occasions, bankers have considered the possibility of placing heavily armed guards in their branches. This policy has been widely adopted in the U. S.

The idea, to date, has been dismissed as being too costly for any good it could accomplish.

Cost of putting just one guard in every branch of a chartered bank in this country would be well in excess of $10 million per year.

There is also considerable doubt as to how much good an armed guard would do.

If — as sometimes happens — an armed robber gets "the drop" on the bank's regular staff, chances are a guard would fare little better.

Secondly, bankers would rather lose money to stick-up artists than see either staff or customers riddled with bullets.

How Would You Stop a Bandit?

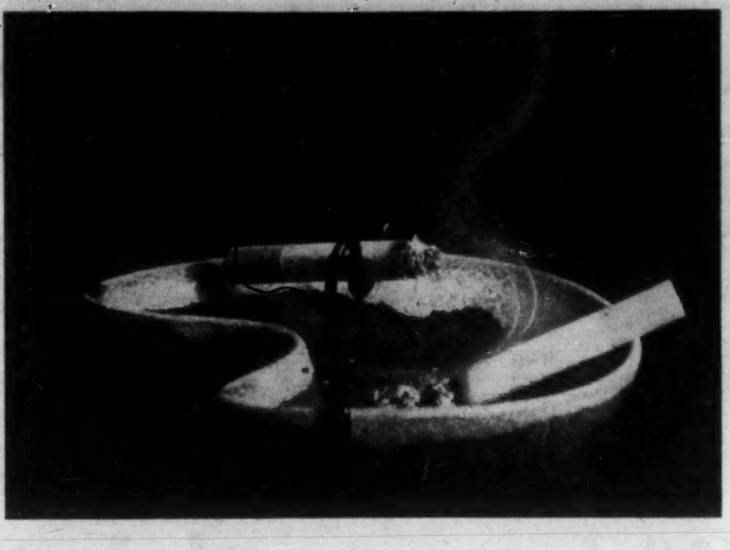
"Most of the public's ideas are impractical," say Canada's banks.

Some of these ideas:

- **A trap door in the floor outside the teller's cage. If held up, the teller could spring the trap and drop the bandit into the basement.**
- **Squirting the bandit with an insoluble dye for easy identification by police.**
- **Concealed tear gas mechanisms.**
- **Automatic locking devices that would seal the bandit in the bank.**

What's the trouble with most of these schemes?

Accidents, say the banks. Can you imagine some innocent old lady being plunged into the basement or soaked in dye when a teller inadvertently touched a button?



Fight Has Only Started In Cigarette Sales War

By CLIVE BAXTER and RODNEY TOUCHE

Canada's smoke-makers have dug in for a long, tough sales war.

Our ashtrays are overflowing—and cigarette manufacturers are jostling hard to get a bigger share of the growing and ever-changing market.

Repeated health scares don't seem to be having any effect on sales totals.

Estimated sales rate now: 2,650 million cigarettes a month—about 156 for every Canadian.

Last year: 2,500 million monthly.

The increase: 6%.

And last year DBS reports tax-paid withdrawals were up almost 12% from the year before.

Annual average sales increase since 1952 has been between 6% and 8%.

Cigarette withdrawals this year may well surpass 32,000 million, if the present growth is maintained, compared with 30,150 million in 1957.

Big target for the manufacturers is the fast-moving filter tip market.

Estimates show filter brands now make up 40% of all Canadian cigarette sales.

In 1957 alone 11 new contenders entered the market. Two more have appeared so far this year.

"There are few real brand loyalties yet in the filter field," one manufacturer told **FP**. "So it's much easier to tumble a leader with aggressive sales techniques.

"Filter smokers are looking for a change. They are usually disturbed by health stories and looking for protection. They are ready to be sold a new idea anytime."

Until midway through last year **Imperial Tobacco's** Matinee brand was leading the filter race when a wave of health rumors sliced into its sales.

Despite a spirited campaign of denial, Matinee sales nose-dived in Toronto and Montreal and have not yet recovered (**FP**, Dec. 21).

There have recently been two new arrivals on the Canadian manufacturing scene: Belgian-backed **Canadian Tobacofina** and the U. K. company, **Rothmans of Pall Mall Canada Ltd.**

Canadian Tobacofina came into Canada early in 1956. Its target for market penetration here has been announced as 10%.

Rothmans moved into Canada in the fall of 1957. Its target: 30%. Company executives claim that already they have achieved 10% in the markets where they are established. They claim 10% in Toronto, Montreal and Vancouver, for example.

Industry observers estimate Rothmans' current penetration of the entire Canadian market at 2.5%, Canadian Tobacofina's at 1.5%.

They attack with ad dollars . . .

Established Canadian firms are fighting the newcomers with new brand names and hard promotion.

The weapons in this battle are mainly advertising dollars.

When Rothmans moved into Canada, company officials called it one of the least competitive markets for cigarettes in the world. They pointed out that while world average expenditure for cigarette advertising was 30c per 1,000 cigarettes, Canadian firms were spending only about 7c.

Rothmans said it was prepared to spend up to 50c and then stabilize at a level of 30c.

The company's campaign hit the market like a tornado.

Cigarette advertising linage in the three Toronto dailies in August was 24,000 lines, according to a recent survey disclosed by **Young & Rubicam.** In October, it had jumped to 95,000 lines.

Young & Rubicam (handling the Rothmans account) reports that a survey made by the Toronto Daily Star, and other organizations, of dollar expenditure on cigarette advertising in newspapers in Canada in 1957 show Rothmans top of the bill.

The Rothmans budget was spread over five months, compared with 12 months for the other companies. Here are the survey's dollar figures by brands:

Rothmans	$213,938	Cameo	$ 91,265
Du Maurier	$169,862	Black Cat	$ 87,891
Sweet Caporal	$156,626	Player's	$ 21,875
Matinee	$125,849	Export	$ 17,546
Buckingham	$ 98,494		

* Toronto Star Advert. Dept. Survey.

Rothmans has concentrated exclusively on the king-size cigarette. Since these came on the market, three other makers have introduced cigarettes of increased size. The others: Imperial's Mayfair, **Macdonald's** Skyways and Canadian Tobacofina's Gaylord.

Smokers have since been assailed by claims and counter claims for the different makes.

Rothmans claims it has prior right to the description "king-size." The conflict has extended to minute details of length, diameter and weight. But other firms point to an Imperial advertisement in 1908 for "king's size" cigarettes.

Imperial, in its annual report for 1957, has spelt out its argument on weight. Pointing out that federal excise regulations limit the weight of all cigarettes in the popular price range to 2½ lb. for 1,000 cigarettes, Imperial says:

"Thus a filter cigarette necessarily contains a little less tobacco than a non-filter, because the weight of the filter must be taken into account. In king size cigarettes substantially the same amount of tobacco is distributed over the greater length."

Rothmans describes arguments on weight as "a smokescreen."

It argues that one pound of cheap tobacco can be made to cover one square foot, while one pound of fine tobacco can be spread over 10 sq. ft.

"It's the old argument of a pound of lead and a pound of feathers," one Rothmans executive remarked.

While the claims fly, Canadian Tobacofina announced recently that it was dropping Gaylords' price to bring it in line with ordinary brands. It plans a major promotional campaign based on the fact.

Cigarette makers face a long drawn out war. And it is one they cannot afford to watch from the sidelines.

One tobacco executive told **FP** that the average cigarette manufacturer has an investment of about $40,000 per employee. He described this as the highest of any industry. Next highest, he estimated, are oil companies with around $28,000.

So with everything at stake, the cigarette men are getting ready to bet more. The customer has only heard the beginning.

Textile men want a market, too

MONTREAL (Staff) — The filter in your filter-tip is the commercial bone of contention in a battle for markets by two Canadian textile giants.

Our two acetate textile fibre makers—**Canadian Celanese Ltd.** and **Canadian Chemical & Cellulose Co.**—are fighting to crack a lucrative, 1.5 million-to-two million lb. annual Canadian market for "cigarette tow," the fibre used in manufacture of filters.

Following several years of research, considerable expenditure and trial and error tests, both companies have now perfected tows suitable for filter manufacture.

But neither firm has yet succeeded in making sales to a Canadian cigarette-maker on a regular basis.

They hope, however, to be in business in a big way before the year is out.

At present all the cigarette tow used by Canadian manufacturers is imported from the U. S. Virtually all cigarette filters are made from acetate fibre.

If Canadian acetate makers can secure even a part of the rapidly growing filter market, it will provide them with much-needed additional manufacturing volumes as well as improved earnings potential.

In addition it would help diversify production in this segment of the primary textile industry.

A Secretary's Secrets

Every boss wants a top-notch secretary. Every steno wants a better job, more money. But the path to the private office is paved with problems. Here are the success secrets of an award-winning Montreal secretary . . .

BY SHEILA A. WARD

Keep your job at your fingertips. Maintain a "pending" file and a card index of important dates. Write yourself plenty of notes as reminders.

Write Yourself Lots Of Letters and Notes

THE growing importance of communications fo business in general is evident not only in current discussions and publications, but also in the number of courses and seminars on the subject.

Let's pinpoint one small but not unimportant kind of communication — the kind the secretary should practise.

You know the old song, "I'm Gonna Sit Right Down and Write Myself a Letter."

It's not as silly as it sounds.

Written information is less likely to be inaccurate and, furthermore, it provides a record for future reference.

So write yourself letters and notes, lots of them.

Write notes to yourself on anything of any importance in the office; no matter how good our memories may be, they can't possibly be as reliable as the written word.

Keep a "pending" file handy and pop these slips of paper into it — reminders, agreements reached with others, deadline dates, extra copies of correspondence that requires follow-up, notes on procedure in your company, examples of completed office forms, account numbers, and a hundred and one other things.

Support this with a desk pad or appointment calendar on your office wall, on which you note dates of meetings, appointments and other reminders for your boss and yourself — or simply a note to look in your "pending" file for the material that should be brought forward today.

Keep track of dates of personal interest to your boss — anniversaries, birthdays, premium payments, dental and medical appointments, club meetings, etc.

First thing every morning, check your desk pad or calendar; get the details from your "pending" file where necessary; then write or type reminders for your boss and prop them on his desk where he can't miss them.

Verbal "jogs" may be

This is the fifth of a series of exclusive articles by Sheila A. Ward, Montreal private secretary.

Miss Ward has been in business 12 years; holds a McGill diploma in merchandising and advertising.

She served in the RCAF during the war, later spent several years in editing and writing fields.

necessary during the day too, for a very busy executive, and these can be delivered pleasantly and discreetly. He will be grateful.

Within reason, communicate information to your boss in writing rather than verbally, wherever possible.

Write him little notes about telephone messages, reminders from the home front, an outline of a matter you yourself may wish to discuss with him.

This is one way to get the answer you need. It saves a lot of time and it avoids misunderstandings.

Another time-saver is to prepare notes which require answers, with a "yes" box and a "no" box or some such arrangement, so that he can simply place a check mark against whichever he decides upon.

Keep a card index file of people he contacts, whether once or many times.

Try to show name, nickname, company, title, business address and phone, home address and phone and, in some cases, wife's name, children's names and ages, hobbies, and other personal data.

Keep this file up-to-date for quick and reliable reference.

If you have a sliding panel in your desk, it's a good idea to keep there an up-to-date list of the most frequently used phone numbers and extension numbers. This saves you a lot of time thumbing through directories — also helps you to memorize the numbers with little or no effort.

If you haven't a sliding panel, perhaps you have a glass-topped desk and can slide the list under the glass for ready reference.

Christmas card list a useful reference

If you address Christmas cards for your boss every year, the list of addresses, if kept scrupulously up-to-date, provides another useful reference source.

Get hold of as many organization charts and phone directories of companies with whom your company deals.

This is an excellent source of information on names, titles and phone extensions.

Keep a chronological or daily file. Make an extra copy of every memo or letter going out over your boss' signature or your own, and file them simply according to date, and on an annual basis.

Often when someone can't accurately recall the name of the addressee or the details of the letter, he can recall the approximate time of year it was written.

This daily file serves as a dependable sort of double-check and time-saver.

Communication, of course, works two ways.

You communicate information to other people, and you ensure that information is communicated to you.

A good way for a secretary to keep up with the news is by faithfully reading company bulletins, bulletin boards, house organ, policy manual and standard practice instructions.

This keeps her abreast of changes in company organization and policy, direction and state of business.

It's profitable also to read other companies' house organs, financial, technical and trade publications, and the daily press.

This next suggestion may seem like a major headache, but it isn't as difficult as it sounds. You'll enjoy doing it once you get started and it will pay off handsomely some time.

Start now to prepare a complete and detailed description of your job, so that anyone can step right in and take over should you suddenly have to be absent from your office. Even if two of you share an office and you think the other girl could do a reasonably good job in your absence, you will save your boss, the other girl and, consequently, yourself, an inestimable amount of trouble by preparing and keeping up-to-date such a list. Put the finished job in a loose-leaf binder so that it's easy to keep up-to-date.

The best way to begin is by jotting down what you do each day, as you do it.

Note even the smallest things, such as the time of day you get Mr. Blank's coffee and how he likes it.

Keep this record for a whole month and then do an analysis of it.

Divide it as to frequency— daily, weekly, bi-monthly, monthly, yearly, occasionally, etc., as well as by days of the week.

After each entry, show why you do it, and how.

Then write own the location of all your office supplies and how and where to get fresh supplies.

Mention also the location and titles of reference books and periodicals, as well as the location of keys for file cabinets, doors and desks.

List all the forms you normally use in your job and insert completed samples.

Prepare specimens of memo and letter setups, as you and your boss like them.

Leave a few samples of boss' letters

Leave a few samples of his letters to give your temporary replacement some idea of the way he expresses himself in a letter.

Prepare a comprehensive index of your files, a description of how your filing system operates and whether it is on a yearly or continuous basis; what to do with old or inactive files.

You have no way of knowing whether your absence, when it occurs, will be of brief or lengthy duration.

Try to foresee all possible problems and queries your replacement will have and make allowance for these, too, in this package you prepare.

When you have completed this project, you'll have a better appreciation of your own job — and you'll probably be amazed at its scope.

If and when you leave the company, 85% of the "phasing in" of your successor will be accomplished simply by handing her this loose-leaf binder and saying, "Here, this is the job."

And last but not least, if you are after a raise, this binder will be the finest piece of promotional material you could possibly have.

Not only will it point up your sense of responsibility, your organizational ability too — it will allow your boss or personnel manager to see at a glance the complexities and size of your job.

A secretary's work being what it is, there are few executives or personnel managers who have any clear idea of just how much a good secretary does quietly and on her own initiative.

There are not many jobs whose responsibility multiplies and whose incumbents' usefulness increases as rapidly in relation to time on the job, as that of the private secretary.

Her boss' unawareness of this may well be an indication of her value, since she will take more and more detail work off his shoulders and handle more and more routine work on her own initiative as time goes by.

If nothing else does, this should inspire you to start on that job description without delay.

What . . . me throw away thousands of dollars!!!

No, not deliberately of course. But as a man involved in major decisions on fuel purchases, you may be able to *save* thousands of dollars annually on fuel costs.

If you're not an expert, get the facts on all phases of fuel from Weaver-Liquifuels — the men who make fuel their business. They are specialists in the selective application of fuel and their services are at your disposal — without obligation, of course! Just contact the office nearest you for immediate attention.

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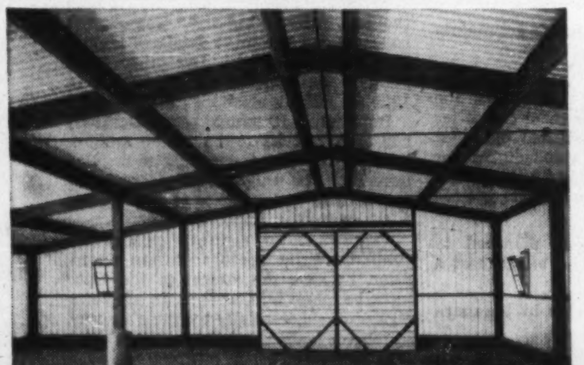

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A new concept in industrial-commercial buildings! The permanent all-steel Stran-Master . . . ideal for warehousing, manufacturing, retail or service operations, or general utility. It's available now at prices 30-50% less than most other types of construction. And it's easily financed through the Stran-Steel Purchase Plan.

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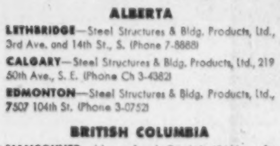

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CALGARY—Steel Structures & Bldg. Products, Ltd., 219 50th Ave., S. E. (Phone Ch 3-4382)

EDMONTON—Steel Structures & Bldg. Products, Ltd., 7507 104th St. (Phone 3-0752)

BRITISH COLUMBIA

VANCOUVER—Macon Supply Co., Ltd., 624 Howe St. (Phone Mutual 3-8434)

MANITOBA

WINNIPEG—Maple Leaf Construction, Ltd., 777 Erin St. (Phone Sunset 3-7091)

NOVA SCOTIA

HALIFAX—Fundy Construction Co., Ltd., Isleville St.

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NEW LISKEARD—Hill-Clark-Francis, Ltd., (Phone

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4000) Main Offices. Also located at: KAPUSKASING (Phone Edgewood 5-2355), TIMMONS (Phone 4000), KIRKLAND LAKE (Phone 4000), NORTH BAY (Phone Grover 2-8700), SUDBURY (Phone Osborn 4-4291), ESPANOLA (Phone 220)

FORT WILLIAM—Claydon Company Ltd., 108 North Syndicate Ave. (Phone 2-0651)

HAMILTON—Astra Steel Structures, Ltd., 256 Gage Ave. (Phone Liberty 4-2867)

QUEBEC

NORANDA—Hill-Clark-Francis, Ltd., 255 9th St. (Phone Roger 2-4355). Also located at: MONTREAL (Phone Regent 1-5863) CHIBOUGAMAU (Phone 198)

SASKATCHEWAN

REGINA—Roy Wright, Ltd., Seventh Ave. and St. John St. (Phone Jo 9-8858)

Company Report

Iron and Steel

HAYES MANUFACTURING CO., Vancouver, consolidated net profit was $1 for year ended Oct. 31, 1957, compared with previous fiscal year's $98,881.

Total sales declined 34%, says President Arthur F. Mercer. Reduction in sales to the logging market alone more than accounted for this decrease, but sales to the non-logging industries increased and accounted for major portion of volume.

Additional reserves of year's earnings of $122,126 and $134,427 from earned surplus were set up against notes and accounts receivable. These reserves are now in excess of 10% of face value of all receivables.

Throughout 1957, because of difficult conditions in the British Columbia logging market, logging equipment sales dropped sharply.

In the case of some logging accounts company had to repossess equipment.

Although company was able to resell substantial quantities of these units, volume of equipment still to be disposed of remained high and will not likely be reduced before spring.

Despite a generally uncertain economic outlook for 1958, says Mr. Mercer, company expects sales in the non-logging markets to be similar to 1957. Indications are that conditions in the logging field may have already passed their low point. Until the available used equipment has been absorbed, it would be unwise to expect too rapid a resurgence in demand, though this market reverses quickly, says the president.

He adds that volume for 1958 should be similar to 1957.

CONS. INCOME ACCOUNT

Years Ended Oct. 31:	1957	1956
Net sales	$2,330,195	$3,528,037
Net earnings	18,939	201,470
Less: Depr.	18,938	18,589
Income tax (net)	......	84,000
Net profit	1	98,881
Less:		
4½% Pref. divds.	10,350	10,350
Surplus for year	*10,349	88,531

*Deficit.

Note — Net profit as shown in co.'s report was $99,403 in 1956, including profit on sale of fixed assets.

Earnings per Share and Dividend Record:		
4½%	$0.0004	$42.99
Paid	$4.50	4.50
Common	d0.10	0.82
None paid.		
Shs. o/s at Oct. 31:		
4½% pref., $100 par	2,300	2,300
Common, n.p.v.	107,620	107,620

CONDENSED CONS. BALANCE SHEET

As at Oct. 31:	1957	1956
Cash	$950	$700
Accts., etc., rec.	589,419	717,056
Inventories	821,483	977,088
Total curr. assets	1,411,852	1,694,844
Prep. exp.‡	9,020	17,393
Misc. assets	1	1
Fixed assets*	136,320	139,697
Total assets	1,557,193	1,851,935
Bk. ln. & overdraft	465,835	407,587
Accts., tax., etc., p.	346,391	617,483
Total curr. liabs.	812,226	1,025,070
Guar. res.	5,200	7,200
Capital stock	399,000	399,000
Capital surplus	66,002	66,002
Earned surplus	274,765	354,663
*After depr. of	277,514	260,421

‡Incl. in curr. assets in co.'s report.

FOR EXECUTIVES

Dates for the executive development course offered by McGill University's Applied Psychology Centre and School of Commerce have been announced — May 26 to June 30.

THE DEVIL and a million grommets...

Meet the Devil in Birmingham, England, and at the same time, if you like, place an order for a million grommets*.

In Birmingham's Art Gallery towers Lucifer, Epstein's dramatic rendering of the Spirit of Evil—just one of the many famous works of art which attract to the City's Gallery over a thousand visitors a day.

And in Birmingham, home of 1,500 trades, you can buy grommets (if you happen to want them), gaskets, gears, golf balls or guns, to mention but a few of the products, ordinary and extraordinary, made in Britain's Second City.

Visitors to Britain (on business or pleasure or both) must also be visitors to Birmingham. It stands in the heart of England, surrounded by places rich in history and literary associations; Stratford-upon-Avon, Warwick, Lichfield and Worcester—all are close by.

*A Grommet is an extra strong eyelet and ring used in sailmaking.

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Be informed before you come: clip the coupon below for your free Guide to Birmingham.

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ADDRESS ____________________

POST TO:— CITY OF BIRMINGHAM INFORMATION DEPT., COUNCIL HOUSE, BIRMINGHAM 3, ENGLAND

2D

Your Poker Hand Worth $3 Million

Playing cards have grown to big business . . .

MONTREAL (Staff) — Playing cards have come a long way in Canada since Jacques de Meulles used them for money.

Now they represent a business approaching $3 million yearly.

But unlike the pioneering days in New France, you can't buy a thing today with the Ace of Spades — though you may win money with it.

De Meulles was governor of New France in 1685. When the supply of cash from France ran low he wrote IOUs on the backs of cards.

They were redeemable after specified periods.

This was North America's first paper currency.

Card sales in Canada now amount to three million decks a year with bulk of the business going to **International Playing Card Co.**, a subsidiary of **United States Playing Card Co.**

U. S. and International — besides being the biggest in their fields — are unique in that playing cards are their sole products.

Prices per pack in Canada range from 65c to $1, including a 20c excise tax and a 10% sales tax.

Card-playing, which withstood all competition from movies and radio, is not suffering from competition of television either.

Sales Dropped

Sales dropped slightly when TV first invaded Canadian living rooms. They have since picked up though still below the all-time high of 3.5 million packs a year, achieved right after World War II.

Then, according to W. H. MacKay, president of International, there was accumulated demand.

During the war, cards were made almost exclusively for the armed forces.

There is ample room for market expansion, sales per capita being well below the U. S. average.

In the U. S. sales are some 60 million decks a year, one for every three people. In Canada the ratio is one to five.

In sharp contrast Nigeria, with a population of 31.5 million buys less than 4,000 decks a year. Most natives can't count up to 10 and therefore can't play!

Practically every Canadian old enough to shave or get a hair-do plays some cards. So do half the children — with parental approval.

Today a 500-page encyclopedia is needed to give all the answers to one game — bridge.

And the No. 2 best seller, topped only by the Bible, is a book called Official Rules of Card Games with sales of 400,000 in the U. S. and Canada last year.

Card manufacturers say the most popular game is bridge, particularly among women and mixed groups.

Poker is first choice, by a wide margin, at strictly male gatherings.

Nova Scotia Tanker Port

From Our Own Correspondent

HALIFAX — Clearing and grading is under way on a 30-acre site at Burnside, on Bedford Basin, for construction of a large marine terminal for **British American Oil Co.**

The new terminal will be the largest company distribution centre in the Atlantic provinces. Its initial storage capacity will be 9 million gal.

R. S. Allen Ltd., Halifax, has been awarded the contract for clearing and grading. Tenders have been called for construction of storage tanks and buildings.

B-A plans to build a dock suitable for handling large ocean-going tankers. It will also provide facilities for loading and unloading of tank cars.

Company Reports

Business Forms

R. L. CRAIN LTD., Ottawa, net profit of $367,368 for 1957 was 4% lower than 1956's $382,655.

Sales were up and quarterly dividend was increased in third quarter from 15c to 25c per share, says President Rolla L. Crain.

Company spent $150,717 completing its new building extension and $383,067 on new equipment. Capital expenditures over the past two years were in excess of $958,000 and were financed from earnings and bank advances of approximately $275,000.

Under employees stock purchase plan 3,720 common shares were fully paid for and issued.

Sales were affected by the over-all slackening in business, but Western Canada sales were pleasing, company says.

A new fastening method for continuous forms, used on high speed tabulating equipment, was introduced.

Expansion program, with the exception of two presses is completed. No further plans of an extensive nature are contemplated.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Gross oper. profit	$2,965,453	$2,763,724
Net earnings	843,828	932,121
Less: Depr. & pat. amort.	176,770	181,215
Loan int. & disc.	22,690	24,251
Prov. for taxes	277,000	344,000
Net profit	367,368	382,655
Less: Pref. divds.	......	1,350
Com divds.	74,120	54,000
Surplus for year	293,248	327,305

Note—In 1957, income tax was decreased by $28 300 as a result of claiming for tax purposes $58,560 depreciation in excess of amount charged in the accounts.

Earnings per Share and Dividend Record:		
Preferred	....	*
Paid	....	$0.005
Common	$3.92	4.24
Paid	0.80	0.60

*Redeemed June 30, 1956.

Shares o/s as at Dec. 31:		
Common, n.p.v.	93,720	90,000

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$6,251	$112,457
Accts. rec., less res.	1,083,201	989,925
C.s.v., life ins.	88,000	72,200
Inventories	801,933	789,634
Total curr. assets	1,979,385	1,964,216
Prepaid exp.‡	15,689	8,349
Misc assets	10,113	12,093
Fixed assets*	1,690,909	1,348,694
Total assets	3,696,186	3,333,352
Bank overdraft	274,563	......
Accts., etc., pay.	648,964	883,503
Total curr. liab.	923,527	883,503
Mortgage	489,976	524,980
Capital stock	425,040	352,500
Earned surplus	1,857,643	1,572,369
*After depr. of	1,621,254	1,468,014
‡Included in curr. assets in co.'s report.		
Working capital	1,055,858	1,080,713

Paper

ROLLAND PAPER CO., Montreal, net profit of $484,072 for 1957 was 33.3% lower than 1956's $725,270.

The year was a difficult one from an operating standpoint, says President Lucien G. Rolland.

Expenses increased abnormally due to starting of the new paper machine, and the changes this made necessary.

The program of modernization and expansion including the new paper machine, stock preparation plant, finishing room and necessary buildings was completed. The new machine started in July, and it is expected it will be brought up to normal production early this year.

Company's capacity has been increased by about 50%.

The water treatment plants for the St. Jerome and Mont-Rolland mills are giving good results and providing both mills with an ample supply of water.

Demand for fine papers in Canada continued strong until mid-year when gradual reduction set in which continued until end of year. It has now leveled off at a figure somewhat lower than a year ago.

Total Canadian shipments of fine papers were up slightly. The increased capacity obtained from new expansion permitted company to build up inventories of finished paper in order to give better and faster service to customers. Increases in selling prices were offset by increases in cost of labor, materials and freight.

A steady production was obtained from the Mont-Rolland mill.

Modernization and expansion cost $5.5 million, $3,990,025 financed through sale of first mortgage bonds and $1,509,975 of company money.

A further $100,000 reduction in the valuation of trademarks was effected through charge to retained earnings account.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Net earnings	$1,619,752	$1,951,869
Less: Deprec.	479,739	412,707
Bond interest	230,641	205,192
Income taxes	425,300	608,700
Net profit	484,072	725,270
Less: Pref. div.	72,250	72,250
Class A div.	96,002	96,002
Class B div.	24,000	24,000
Surplus for year	291,820	533,018

Note—Net profit as shown in the co.'s report was $476,260 in 1957 and $704,946 in 1956, including profit or loss on sale of assets.

Times Bond Interest Earned:		
Before deprec.	7.02	9.51
After deprec.	4.94	7.50
Earnings per Share and Dividend Record:		
Preferred	$23.47	$42.66
Paid	4.25	4.25
Class A†	2.42	3.76
Paid	0.80	0.80
Class B†	2.02	3.36
Paid	0.40	0.40
†After participation.		
Shares at Dec 31:		
4¼%-Pref., $100 par	17,000	17,000
Class A, n.p.v.	120,002	120,002
Class B, n.p.v.	60,001	60,001

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash & deposits	$97,158	$762,059
Dom. bonds*	......	......
Accts. rec.	2,158,189	2,006,927
Inventories	2,006,113	1,580,450
C.s.v., life insur.	2,391	1,562
Market. sec.†	231,817	......
Total curr. assets	4,495,668	4,350,998
Secs. for cap. expend.	......	996,500
Construct. fund	410,200	2,300,000
Misc. assets	339,952	235,024
Fixed assets●	7,526,896	4,616,083
Trademarks	100,000	200,000
Total assets	12,872,716	12,698,605
Accts., etc., pay.	1,965,783	1,768,050
Inc. taxes pay.	65,874	361,005
Bond instal.	150,000	150,000
Total curr. liab.	2,181,657	2,279,055
Funded debt	5,200,000	5,350,000
Deferred inc. tax	300,900	63,400
Capital stock	2,000,032	3,000,032
Earned surplus	2,190,127	2,006,118
*Mkt. val.	231,500	......
●After depr. of	5,593,659	5,147,452
Working capital	2,314,011	2,071,943

Contingent liability as at Dec. 31, 1957, for mill machinery and equipment expenditure totaled approx. $125,000.

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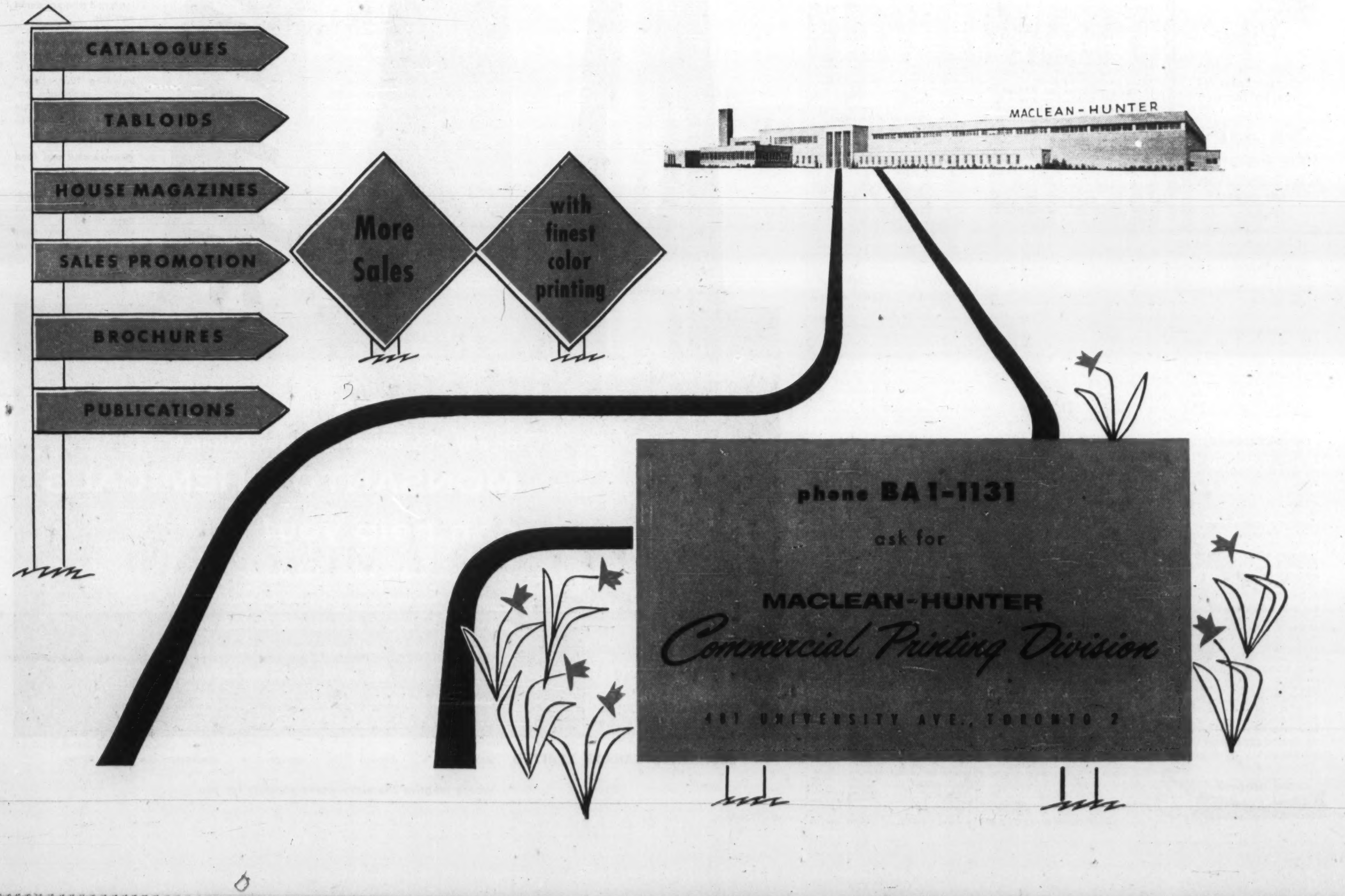

ANNOUNCEMENT

Rosin Size Pricing

Hercules Powder Co. (Canada) Ltd. has announced that the price of their 70% Pexol Paste Size will be $10.25 per 100 lbs. in Tank Cars f.o.b. their plant at Burlington, Ont., for the second quarter of 1958.

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Montreal, P.Q.

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TOWN OF IBERVILLE, Que., school commissioners have sold $470,000 4½% 20-year serial debentures to a syndicate headed by **Banque Provinciale du Canada** at 96.97, indicating net cost of 5.032%. The debentures are callable after April 1, 1968. Proceeds are for enlargement of a school. The provincial secretary has given a grant of $307,415 for the issue.

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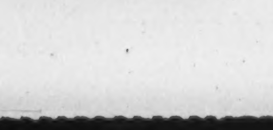

INVESTMENT IN PRACTICE

Common investment problems . . .

By PATHFINDER

Case No. 21:

"I received an annual report from Company X. I found the written summary of operations very interesting but what is the Balance Sheet supposed to tell me?"

Coment:

A balance sheet shows, on the asset side, the things the company owns—from tangible cash to intangible goodwill. On the other side are the debts which the company must pay.

In all solvent companies these debts are less than the assets, so there is a second part of the liabilities side called capital and surplus or retained earnings. This amount represents the owners' equity in the business.

The balance sheet is taken as of a split second in time—the close of business on Dec. 31, for example. Consequently the amount of cash in the bank is precise to the last cent although in the normal course of business it rises and falls. Therefore a balance sheet has been called a cross-section of the financial structure of a company.

There are several relationships which should be noted in the balance sheet because a deviation from normal can indicate trouble. One of the most common relationships is current assets to current liabilities. In non-accounting terms, this is the relationship between those assets which can be readily turned into cash to the debts which mature in the near future, at the maximum one year.

This "current ratio" is normally at least 2 : 1 current assets to current liabilities. However 3 : 1 or even 4 : 1 is quite common and represents a company which has adequate cash resources.

If however, the current ratio were 10 : 1 or higher, shareholders could ask why management is keeping so much of their assets in cash and other current items where it is not earning any money. On the other hand, a current ratio of below 1 : 1 usually indicates new financing will be required.

This is but one of many tests which should be applied to the balance sheet. Like an X-ray of a patient, the balance sheet can make quite evident causes of future trouble which the written parts of the annual report may not cover.

Comments on this and other investment questions are to be found in the 80-page book "How To Invest For Bigger Profits" by Pathfinder, now available from The Financial Post, 481 University Ave., Toronto 2, Canada, for $2 a copy.

Company Reports

Textiles

CANADIAN CELANESE LTD., Montreal, net profit of $2,308,434 for 1957 was 15% higher than 1956's $2,007,177.

Company spent $1,990,615 on additions and improvements in manufacturing facilities, says President C. W. Palmer.

The policy of diversification of products was continued.

The first production unit for manufacture of "Trilan" carpet fibre and "Trilan" carpets was brought into production early in year, and was increased threefold during year. This made possible launching of new carpet lines early in 1958.

Good progress was made in marketing products in the furnishing and industrial fields.

The general market for standard yarns and fabrics improved a little through the first three quarters of year, but weakened considerably in final quarter.

U.S. import competition continued as severe as ever.

Due largely to a wider market served by company's more diversified products, profit improved slightly.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Net earnings	$6,481,936	$5,840,482
Less: Deprec.	1,967,043	1,906,111
Deb. int.	154,532	178,419
Inc. tax	2,050,000	1,725,000
Amort., pat., etc.	1,927	23,775
Net profit	2,308,434	2,007,177
Less: $1.75 pref. div.	700,000	700,000
$1 pref. div.	100,000	100,000
Com. divds.	1,055,390	931,227
Surplus for year	453,044	275,950
Times Debent. Int. Earned:		
Before depr.	41.95	32.73
After depr.	29.22	22.05
Earnings per Share and Dividend Record:		
Pref. ($1.75 & $1 Series):		
Earned	$4.62	$4.01
Paid: $1.75 pref.	1.75	1.75
$1 pref.	1.00	1.00
Common	1.21	0.97
Paid	0.85	0.75

Note—Co.'s report shows net profit of $2,311,221 in 1957 and $2,007,084 in 1956, including profit on loss on secs. sold. On this basis earnings per share would be $4.62 on pref. and $1.22 on common in 1957; and $4.01 on pref. and $0.97 on the common in 1956.

Shares o/s as at Dec. 31:	1957	1956
$1.75 pref., $25 par	400,000	400,000
$1.00 pref., $25 par	100,000	100,000
Common, n.p.v.	1,241,636	1,241,636

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$445,740	$928,813
Investments‡	5,593,386	6,100,348
Accts. rec.	2,539,369	2,793,293
Inventories	9,955,950	8,142,176
Total curr. assets	18,534,445	17,964,630
Def. & pref. chgs.	127,584	151,289
Invest., etc.	33,140	34,140
Fixed assets	43,332,857	41,869,902
Patents, etc.	1,087,064	1,084,181
Total assets	63,115,090	61,104,142
Accts., etc., pay.	1,186,765	1,088,877
Taxes pay.	962,906	468,096
Total curr. liab.	2,149,671	1,556,973
Depr. & amort. res.	24,734,163	23,282,196
Special res.	123,505	123,505
Deferred inc. tax	930,000	495,000
Debentures	4,316,000	5,756,000
Capital stock	13,719,045	13,719,045
Distrib surplus	62,500	62,500
Surplus	16,580,206	16,108,923
‡Mkt. val., approx.	5,371,754	5,783,697
Working capital	16,384,774	16,407,657

Iron and Steel

MONTREAL LOCOMOTIVE WORKS LTD., Montreal, net profit of $1,638,042 for 1957 was 14.8% higher than 1956's $1,426,978 (**FP**, March 15).

Both dollar value of output and earnings were up, say Chairman Perry T. Egbert and President William G. Miller.

Record levels of output were achieved for diesel-electric locomotives and for thermal equipment for the petroleum refining and chemical processing industries.

In the domestic locomotive market, sales of high horsepower road locomotives increased, largely as a result of the introduction of a new, more powerful 1,800 hp diesel engine. A new 2,400 hp locomotive, designed for special heavy duty and high speed applications, was introduced to Canadian railroads.

During the first half of 1957, company completed an order received in 1956, for 25 diesel "World Locomotives" for the Argentine State Railways.

Sales were up in industrial products and diesel service operations. Industrial products included equipment for the St. Lawrence Seaway, welded steel water and dredge pipe, hydraulic and mechanical steel presses, and paper machines and pulp preparation equipment.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Net earnings	$3,751,063	$3,044,539
Less: Deprec.	353,021	276,561
Income taxes	1,760,000	1,341,000
Net profit	1,638,042	1,426,978
Less: Com. divds.	700,000	700,000
Surplus for year	938,042	726,978
Earnings per Share and Dividend Record:		
Common	$2.34	$2.04
Paid	1.00	1.00
Shares o/s as at Dec. 31:		
Common, n.p.v.	700,000	700,000

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash & Dom. bds.	$3,673,029	$1,320,784
Accts., etc., rec., less res.	5,620,131	6,672,704
Inventories	6,619,841	9,051,835
Total curr. assets	15,913,001	17,045,323
Misc. assets	105,072	165,388
Fixed assets*	3,151,442	2,927,877
Total assets	19,169,515	20,138,588
Accts., etc., pay.	5,807,628	7,855,084
Adv. on contr.	626,526	1,007,461
Inc. tax	1,487,533	966,257
Total curr. liabs.	7,921,687	9,828,802
Capital stock	3,000,000	3,000,000
Earned surplus	8,247,828	7,309,786
*After depr. of	5,578,245	5,401,107
Working capital	7,991,314	7,216,521

Note—Contingent liability with respect to notes sold with recourse amounted to $949,010 at Dec. 31, 1957.

Power Companies

SOUTHERN CANADA POWER CO., Montreal, consolidated net profit of $1,969,249 for 1957 was 4.6% higher than 1956's $1,883,034.

Company's fiscal year end was changed from Sept. 30 to Dec. 31. Number of directors was increased to 16.

In December, 1957, company moved its head office to the City Centre building in Montreal. The new premises provided improved working conditions and space for future expansion, says President J. A. Page.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1957 $	1956 $
Gross revenue	11,469,336	10,278,533
Net earnings	4,865,124	4,586,509
Less: Depreciation	806,500	765,300
Bond interest	386,375	386,375
Inc. tax res.	1,703,000	1,551,800
Net profit	1,969,249	1,883,034
Less: Pref. divds.	496,223	496,223
Common divds.	1,000,000	950,000
Surplus for year	473,026	436,811

Note—The company is claiming, for tax purposes, additional depreciation on which the deferred tax amounts to $186,100 in 1957 and $217,400 in 1956.

	1957	1956
Times Interest Charges Earned:		
Before deprec.	12.59	11.87
After deprec.	10.50	9.89
Earnings per Share and Dividend Record:		
Preferred†	$27.78	$26.56
Paid	6.00+♦1.00	6.00+♦1.00
Common‡	3.68	3.47
Paid	2.50	2.12½+0.25

†Before (‡after) participation.
♦Maximum participation.

Shares o/s as at Dec. 31:	1957	1956
6% Pref., $100 par	70,889	70,889
Common, n.p.v.	400,000	400,000

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash, etc	$61,470	$62,470
Accts., etc., rec.	1,958,108	1,806,466
Mkt. secs.§	965,225	2,029,464
Inventories	970,048	1,007,704
Total curr. assets	3,954,851	4,906,104
Misc. assets†	308,826	193,978
Inv. assoc. cos.	113,003	100,003
Mtges. rec.	5,820	239,293
Fixed assets	41,108,196	39,458,748
Total assets	45,490,696	44,898,126
Due bank	40,295	932,690
Accts. & tax pay.	1,984,292	1,841,408
Other curr. liabs.	669,874	659,515
Total curr. liabs.	2,694,461	3,433,613
Def. income tax	814,100	628,000
Other def. liab.	151,676	176,654
Funded debt	11,100,000	11,100,000
Deprec. res.	11,581,840	10,987,428
Other reserves	846,459	743,306
Capital stock	15,088,900	15,088,900
Surplus	3,213,260	2,740,234
§Market value	1,235,100	unstated

†Included in curr. assets in co.'s report.

	1957	1956
Working capital	1,260,390	1,472,491

BP Refinery Start Soon

MONTREAL (Staff) — Construction of **British Petroleum** group's $60 million refinery at Ville D'Anjou near Montreal will begin within six months.

Preliminary work on the site and on the three-mile pipeline connecting it with the St. Lawrence River is under way.

The new refinery will bump Montreal area's daily refining capacity almost 10% to 290,000 bbl.

This is Canada's biggest single market for crude — a market supplied by imports and eyed enviously by Western Canadian oilmen.

Due to be in operation by 1960, the refinery will have an input capacity of 25,000 bbl. a day.

General contractor: **T. Lummus Co. of Canada.**

A new BP company with headquarters in Montreal will be formed to own and operate the refinery.

Since **BP Canada Ltd.** began its marketing operations less than a year ago, it has acquired or built more than 100 service stations in Quebec. More than 300 are expected to be in operation by the end of 1958.

GENERAL DYNAMICS CORP. during February issued 349,194 additional shares under conversion of debentures and 8,075 shares under the restricted stock option plan, raising number of shares outstanding to 9,775,987.

A Military Camp Means a Lot To Any Small Town Business

From Our Own Correspondent

SAINT JOHN — A military camp can be big business in a small town.

That's the view of the town fathers of Sussex—a dairy town of around 4,000 population, located in the beautiful Kennebecassis River valley some 50 miles from Saint John.

With reports current that the depot of the Black Watch (Royal Highland Regiment) of Canada at Sussex may be closed, Sussex business and public leaders have been adding up the monetary values involved.

Their finding: The depot must be kept in Sussex.

Here are some figures:

- The depot means $1,000 a month in revenue for the Sussex hydro department.
- It means $275 a month for the town's water department.
- The monthly payroll averages $45,000 and most of that purchasing power is expended in the shops of Sussex.

On strength are varying numbers of men with a median total of around 225.

There are 24 civilian personnel attached, plus 10 civilian engineers. All are housed in Sussex and spend in Sussex, not to mention their tax paying ability as steady income earners.

Small business in Sussex holds contracts for road grading, snow plowing, supply of propane gas, coal, laundry, food supply and garbage disposal.

The Sussex depot was established in January 1955.

SEAT OFFERED

MONTREAL (Staff) — A seat is being offered for sale on the Canadian Stock Exchange at $9,500. Last sale of a seat on the exchange was at $8,500 Jan. 23. The exchange at present has a bid on a seat at $6,000.

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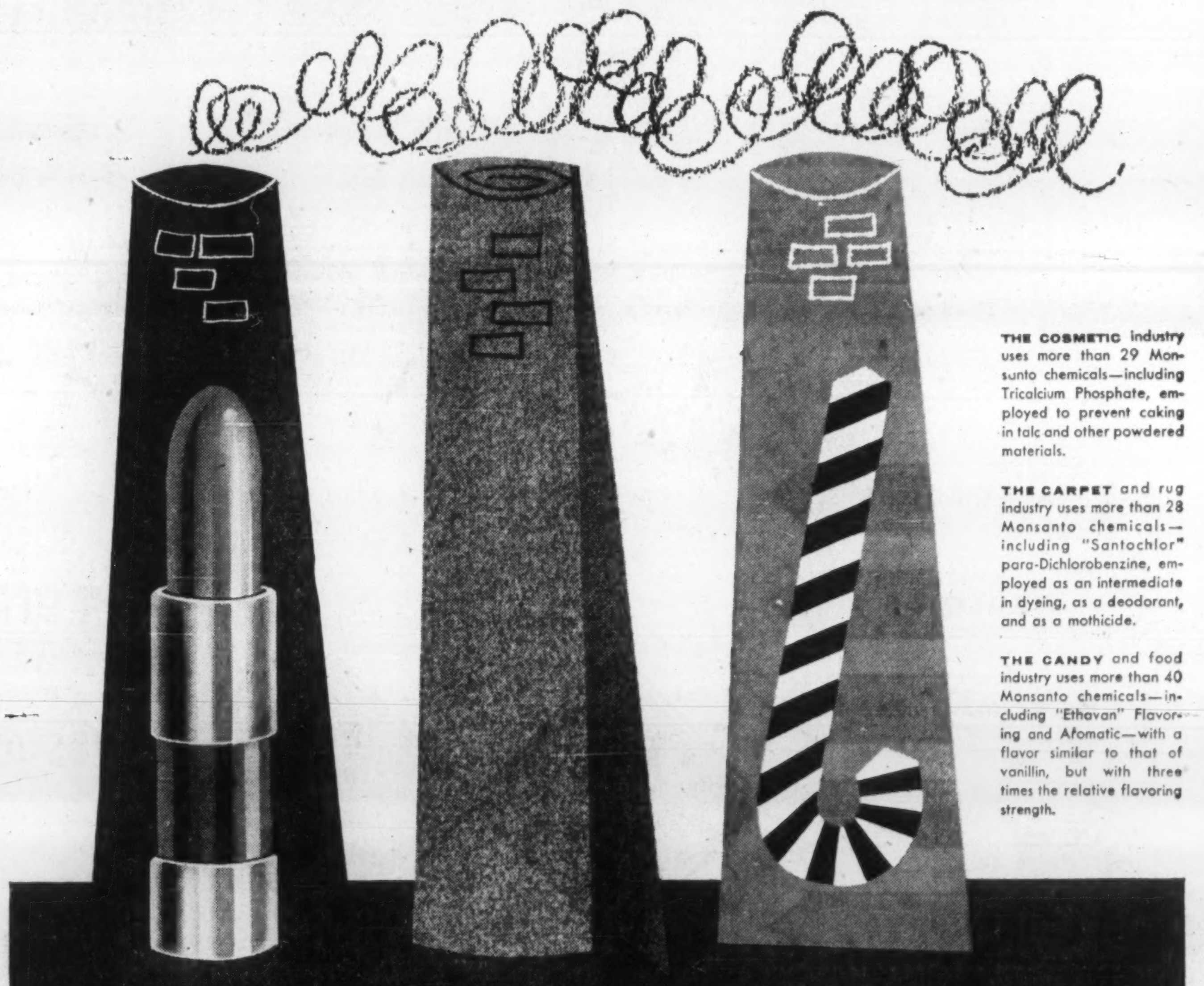

THE COSMETIC industry uses more than 29 Monsanto chemicals—including Tricalcium Phosphate, employed to prevent caking in talc and other powdered materials.

THE CARPET and rug industry uses more than 28 Monsanto chemicals—including "Santochlor" para-Dichlorobenzine, employed as an intermediate in dyeing, as a deodorant, and as a mothicide.

THE CANDY and food industry uses more than 40 Monsanto chemicals—including "Ethavan" Flavoring and Afomatic—with a flavor similar to that of vanillin, but with three times the relative flavoring strength.

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A Gordon Royal Commission Study

$12.8 Billion Construction Goal

The construction industry in Canada which carried out work valued at $5.3 billion in 1955 is expected to boost that figure by 141.5% in 1980.

That is the highlight of a special study on the industry prepared by the Royal Bank of Canada in late 1956 for the Royal Commission on Canada's Economic Prospects.

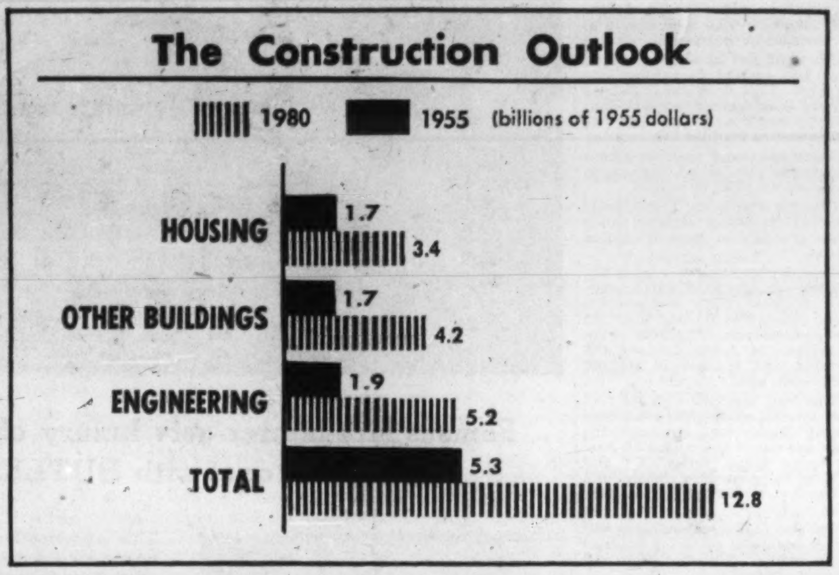
While the report indicates that the rate of increase in different sections of the industry may vary, the estimated expenditures in 1980 show that in none of the three categories is the increase over 1955 expected to be less than 100%.

In a foreword, James Muir, chairman and president of the bank, points out that the study was prepared by members of the head office staff with the assistance of personnel in its various branch and supervisory departments across the country but the views and opinions expressed in the study do not necessarily represent in any way those of the bank or its executive.

Here is the major conclusion which the study drew:

"In that year (1980) we anticipate that new construction may total $9.6 billion and repair expenditures $3.2 billion."

This report is the 21st of an FP series which will sum up each of the special studies made for the Gordon Commission.



The report says that annual construction expenditures are expected to show a steady upward trend over the 25 years, although minor fluctuations about the trend may be expected. Over the 25-year period as a whole, the authors expect that construction expenditures in Canada will total some $235 billion in 1955 dollars.

Of this total, about $55 billion will be for repair construction and $180 billion for new construction with about $55 billion of the latter for new residential construction.

The Long-Term Trend

"The main forecasts of construction expenditures presented here," states the report, "are not based on any elaborate techniques. They are built up from assumptions which appear reasonable in the light of present conditions and in the light of the material uncovered by this and other studies of the Commission.

"The Commission's median estimate for GNP suggests that by 1980 it will rise to some $76 billion in 1955 dollars, an increase of 184%. On the basis of GNP estimates alone, we would therefore expect construction in 1980 to be nearly three times its 1955 level.

"However, other factors have to be considered, among them abnormalities in the present volume of construction in relation to the long-term trend. It is suggested that the recent level of construction expenditures in relation to GNP has been well above the experience of the previous 25 years. This has been particularly true of housing.

"In our view and in the view of most observers, this proportion appears unlikely to be maintained over the next quarter century.

"This conclusion is based on the assumption that a portion of recent construction expenditures is attributable to the fact that relatively little construction was put in place in the depression and war years."

Housing

The report expects new housing expenditures to absorb a smaller share of GNP in the future than they do today. The 1980 forecast of $2.7 billion for spending on new residential housing involves an expansion of 80% from the 1955 level of $1.5 billion.

This compares with a forecast rise of 71% in population to a total of 26.7 million people. In per capita terms, this forecast indicates a rise of 5% from the 1955 level of $96 a person spent on new housing.

The study comments that while its forecast for new housing expenditures may seem conservative, it is more optimistic than that made by **Central Mortgage & Housing Corp.**, which predicted total expenditures at $35 billion over the next 25 years and 3.4 million completions of new dwelling units over the period.

"Our forecast of $2.7 billion for new housing in 1980 and some $55 billion over the period as a whole, allows for a much higher increase in the quality of housing as well as a 10% higher volume of completions, on the basis of the Commission material," says the study. "Thus we would estimate completions in the neighborhood of 3.7 million units in the period as a whole, which would yield an average of $14,865 per completion." (The CMHC forecast allowed an average of about $10,300 per completion.)

In addition to these figures for new construction, the study expects repair expenditures on housing to run at about 25% of new construction costs, slightly more than in the 1946 to 1955 period, an assumption which would yield expenditures of some $700 million in 1980.

Non-Residential

For building construction other than residential, the study also anticipates some decline relative to GNP although not so pronounced as in the case of housing.

The commission's preliminary estimate for expenditures on new structures for social capital purposes was $17-$18 billion over the period as a whole. This included expenditures on schools, hospitals, churches and public buildings of all kinds.

But despite these tremendous requirements, this spending is expected to absorb a smaller share of incomes over the next quarter century than it now does.

Commercial and industrial building is also expected to grow more slowly than GNP and investment as a whole, with new investment being increasingly concentrated in machinery and equipment.

The high volume of office buildings, factories, stores and shopping centres in recent years has probably been partially attributable to the low rates in the preceding 15 to 20 years.

"We estimate that expenditures on new industrial and commercial structures will exceed $35 billion over the next quarter century. By 1980 annual spending on new non-residential structures of all types might be of the order of $3 billion.

"As to repair expenditures, the factors making for greater relative importance of repair work, such as the increasing complexity of buildings, will be about offset by other factors such as the use of more durable or easily maintained materials. However, our forecast makes some allowance for a slight rise above recent levels."

It is suggested that the ratio of repair to new non-residential building construction as a whole will amount to 40%, or about $1.2 billion in 1980, and possibly $20 billion for the entire period.

Engineering

Engineering construction, the other main group, may show a somewhat greater proportionate rise due to the increasing importance of road, hydro-electric and oil and gas pipeline construction.

On balance, the authors expect engineering construction as a whole to total $93 billion in the period from 1955 to 1980. Of this, $70 billion might represent new expenditures. In 1980, expenditures on engineering construction may total some $5.2 billion, including $1.3 billion for repair expenditures.

Higher Growth Rate

The estimates of construction activity in the study suggest an increase of 123% in the next 25 years for all new construction expenditures, compared to an estimated increase in GNP of 184%. By comparison, the constant dollar value of new construction expenditures over the last 25 years increased 90%, compared to a rise of about 140% in real GNP.

A considerably different picture is shown, however, in a comparison of the prospective trends for the major groups.

New residential construction expenditures increased 134% over this past quarter century but in the next 25 years are expected to increase by only a further 80%.

Non-residential construction, however, may in the next 25 years rise by 148% in contrast to the increase of 68% in the earlier period.

The annual compound rate of increase foreseen for all new construction works out to 3¼%.

Forecasts Compared

The study comments that few other long-term forecasts of construction activity in Canada have been attempted recently and quotes figures from one published in **FP** (Feb. 18, 1956), which it calls: "The most detailed long-term construction forecast to appear recently."

This is how the study's forecast of construction expenditures in 1980 and that of **FP** compared (in billions of 1955 dollars):

	Study	FP
Housing	3.4	3.8
Structures	4.2	4.6
Engineering	5.2	5.6
Total	12.8	14.0

Executives Needed

There was considerable evidence that the larger contracting firms were already having difficulty finding executives capable of supervising large-scale projects. As one large contractor said, projects of $2 million to $3 million used to be considered large and were not numerous in Canada, but now jobs of that size are commonplace and contracts of $8 million to $10 million are not unusual.

Managerial ability, however, was important for efficient operation of all construction firms, large or small. The authors found a great disparity among operators in ability and efficiency, as was perhaps to be expected in an industry characterized by large numbers of heterogeneous units and new firms.

Every possible effort should be made by the industry to select and train junior executives in order to ensure an adequate supply of top level management.

Too many contractors started operations with insufficient funds or were undercapitalized for the volume of work they took on with the result that they over-extended themselves.

The basic problem of under-capitalization ideally should be solved by the infusion of additional equity. The main source of such additional equity funds for most firms, owing to their small size, must be retained earnings. It was doubtful whether construction firms as a group had been reinvesting a sufficient proportion of their profits over the past ten years.

It seemed likely that a greater proportion of earnings would have to be retained in the future if a high rate of bankruptcies was to be avoided. The importance of competent management and adequate capital could not be underestimated.

The high rate of bankruptcies in the construction industry had been due in large part to inadequacies in one or both of these important entrepreneurial functions.

NEW HOME OFFICE BUILDING

1957 YEAR OF CONTINUED PROGRESS

	Total Income	Insurance in Force	Assets
1917	$ 170,912	$ 4,404,016	$ 422,552
1927	1,073,163	31,673,916	4,136,000
1937	1,546,259	44,794,847	6,694,406
1947	3,139,057	101,338,754	17,094,768
1957	5,911,271	193,266,122	35,130,303

HIGHLIGHTS OF 1957 REPORT

Increase in Dividend Payments to Policyholders
Record Volume of New Business
Total Assets at New Peak
Exceptional Interest Earnings
Occupation of Our New Home Office

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The Friendly Company

HEAD OFFICE, MONTREAL

Branches in all important cities

THE CHALLENGE OF BEING WELL INFORMED

Half a world away in half an hour

A statement from the Hon. Ellen Fairclough, The Secretary of State of Canada

UNTIL THIS CENTURY it was difficult, almost impossible to be well informed on current affairs. Mass communication of ideas and information was limited.

News was a second-class passenger. Knowledge and folk-lore intermarried and, without information, could not be separated.

Today there is no excuse for provincialism, or narrowness, or lack of insight for lack of information. We are bombarded with information. Events which happen half a world away are known to us in half an hour.

We live in an age of information. Today, a different challenge presents itself to thinking people; the challenge of being *well*-informed.

This is all the more challenging to those who, by the very nature of their activities, are required to keep abreast of events and available information. It is difficult to assess the authenticity or value of any report unless the basis or background is known and understood.

It is a part of the responsibility of most of us today to pass on to others information which has been acquired, and one's own views thereon. It is impossible, of course, to impart to others what you have not learned yourself.

So to be well-informed is to be well-armed. In today's confusing, rapidly-changing world, it is an armour that all who live must wear.

It is the people of Canada who direct the policies of this nation. It is Canada's children who will be called upon, tomorrow, to meet the challenge of increasing complex problems.

And only by being well-informed can the people of Canada be ready to offer the kind of leadership for which, more, and more, the world looks to us.

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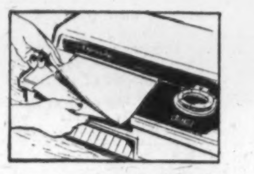

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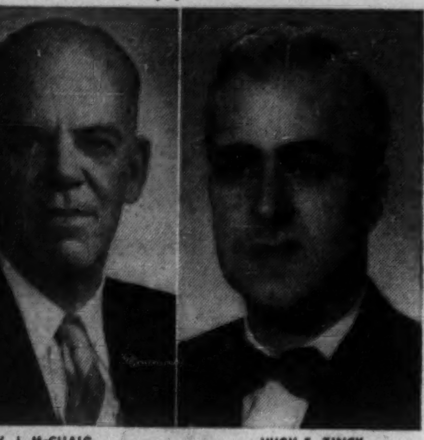
ANNOUNCEMENT

Dosco Appointments



W. J. McCUAIG HUGH F. ZINCK

C. R. Snell, Vice-President, Purchasing, the Dominion Steel and Coal Corporation, announces two appointments. They are W. J. McCuaig, left, who becomes Administrative Assistant to the Vice-President, Purchasing, and Hugh F. Zinck, who becomes Assistant to the Vice-President, Purchasing. Mr. McCuaig is former General Purchasing Agent of the Canadian Car Company. Mr. Zinck is a Dosco career man with 18 years' service.

Bank Staff Changes

Commerce:

R. J. McCLELLAND, accountant, St. Clair & Dufferin, Toronto, to be an assistant accountant, 199 Yonge St., Toronto.

W. E. McMICKING, accountant, Colborne, Ont., to be manager, St. Clements, Ont.

W. P. PARR, assistant accountant, Church & Dundas, Toronto, to be accountant, Leaside, Ont.

L. E. PHILLIPS, an assistant accountant, Halifax, to be accountant, Summerside, P.E.I.

R. G. PIPER, to be assistant accountant, Courtenay, B.C.

E. R. RITCHIE, to be assistant accountant, Church & Dundas, Toronto.

L. A. SCHILLING, an audit officer, Head Office, to be assistant manager, Rideau St., Ottawa.

L. B. SLOAN, to be an assistant accountant, Bagot & Brock, Kingston, Ont.

T. V. GRINDLEY, accountant, McLeod Building, Edmonton, to be accountant, Centre St. & 8th Ave. W., Calgary.

J. J. LAPICKI, to be assistant accountant, McLeod Building, Edmonton.

J. K. MacDUFF, assistant accountant, Kindersley, Sask., to be manager, Wiseton, Sask.

Nova Scotia:

R. E. W. BRYAN, to be accountant, Park Plaza Hotel (Bloor & Avenue Road), Toronto.

G. D. McAULAY, accountant, Amherst, N.S., to be accountant, Moncton, N.B.

K. E. MITCHELL, accountant, Park Plaza Hotel (Bloor & Avenue Road), Toronto, to be accountant, Kingsway, Toronto.

R. E. PIGEON, to be accountant, Longueuil, Que.

L. A. SHAW, to be accountant, Eglinton & Mount Pleasant, Toronto.

J. W. HARRINGTON, to be an assistant accountant, St. Catherine & Peel, Montreal, Que.

R. N. THORNE, accountant, Acton, Ont., to be assistant accountant, Danforth & Greenwood, Toronto.

W. C. WEBSTER, inspector, general office to be an assistant supervisor at that office.

F. R. ESTEY, assistant manager, Saint John, to be manager, Chester, N.S.

F. G. FORREST, assistant manager, Vancouver, to be manager, Cloverdale, B.C.

D. L. MORASH, accountant, Saint John, to be assistant manager at that office.

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are plentiful in every company, but they are most useful when organized. Statistical procedures are proven ways of making facts more useful — even those in your present files.

Every personnel department needs at least one member with the knowledge to apply statistical procedures to the daily records of his company.

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Company Reports

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Real Estate

MONARCH MORTGAGE & INVESTMENTS LTD., Toronto, net profit of $136,509 for 1957 was 45.6% higher than 1956's $93,732.

Income from rentals increased due to rent adjustments applied on some properties and extensions to Eglinton Square Shopping Centre, says President Frank Taylor.

Expenses were unchanged despite increase in taxes. Dividend from **Monarch Construction & Realty Ltd.**, was increased.

Development of its subsidiary company of the Kipling Heights subdivision in Etobicoke advanced, with not unsatisfactory results, and the small balance of unused land should be developed in 1958.

Company formed two wholly-owned subsidiary companies named **Kipling Heights Shopping Centre Ltd.** and **Watercliffe Holdings Ltd.**, in preparation for investment development when opportunity arises.

Two companies, named **Robillart Development Ltd.** and **Richelieu Homes Ltd.**, in which company has controlling interests, were also formed for the purpose of developing approximately 50 acres of land acquired by the Robillart company, in St. Martin, Montreal, Que.

These companies are not yet actively operating and company does not feel it should try and forecast results of these operations.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Net earnings	$410,504	$362,152
Less: Deprec.	125,595	133,640
Mtge. int.	82,285	106,915
Inc. tax res.	100,000	53,000
Add: Sub. divd.	33,885	25,100
Prof. prop. sale	......	35
Net profit	136,509	93,732
Less: Divds.	126,543	126,543
Surplus for year	9,966	*32,811

*Deficit.

Earnings per Share and Dividend Record:		
Common	$3.24	$2.22
Paid	2.00+1.00	2.00+1.00
Shares o/s as at Dec. 31:		
Common, n.p.v.	42,181	42,181

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$618,218	$413,217
Accts., etc., rec.	13,817	10,211
Total curr. assets	632,035	423,428
Prepd. exp.§	33,555	45,250
Inv. in subsid.	58,600	100
Mtges. rec.	97,234	60,142
Dep. re prop. replace. fund	35,896	28,401
Fixed assets*	2,644,270	2,805,217
Total assets	3,501,590	3,162,538
Accts., etc., pay.	222,735	66,499
Taxes pay.	60,108	22,537
Total curr. liab.	282,843	89,036
Mtges. pay.	1,695,001	1,559,722
Due subsid.	408,318	408,318
Capital stock	412,300	412,300
Capital surplus	56,914	56,914
Surplus	646,214	636,248
*After deprec. of	1,049,294	923,699
Working capital	349,192	334,392

§Incl. in curr. assets in co.'s report.

Textiles

BELDING - CORTICELLI LTD., Montreal, net profit of $116,520 for 1957 was 10% lower than 1956's $129,996.

Sales for the first nine months were up slightly, but these dropped in the final three months, the final figures being 2½% below 1956, says President L. B. Ramsey. This drop could be attributed partly to the unusually mild fall, and also to a general slowing down of business.

Hosiery operations were disappointing, prices of unbraided full-fashioned nylon hosiery reaching a record low. The promotion of hosiery colors to match costumes should stimulate sales, and with addition of new lines, company hopes for improvement in this division in 1958.

The thread, ribbon and narrow fabric divisions were as active as 1956. The knitwear division improved considerably up to the end of September, which company hopes will be extended in 1958.

Bank loans were retired.

Purchase of new machinery amounted to $146,909 ($105,580 in 1956).

A large portion of lost business is represented by goods imported from countries where wages are 1/10th to ½ of what company pays, the president says.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Net earnings	$244,479	$397,852
Less: Depr.	119,156	225,620
Income tax res.	8,803	42,236
Net profit*	116,520	129,996
Less: Pref. divds.	59,199	59,199
Common divds.	11,536	......
Surplus for year	45,785	70,797

*Excluding losses of $2,405 in 1956 and $7,127 in 1957, on sale of fixed assets which are included in net profit shown in co.'s report.

Earnings per Share and Dividend Record:		
Preferred	$1.38	$1.54
Paid	0.70	0.70
Common	0.75	0.92
Paid	0.15	nil
Shares o/s as at Dec. 31:		
Pref., $100 par	84,570	84,570
Common, n.p.v.	76,910	76,910

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash & govt. bds.	$84,160	$79,593
Accts. rec. less res.	653,749	764,814
Inventories	1,369,618	1,447,878
Total curr. assets	2,107,527	2,292,285
Misc. assets	80,099	68,561
Fixed assets†	1,332,208	1,323,824
Total assets	3,519,834	3,684,670
Bank loan	......	50,000
Accts., etc., pay.	178,569	326,076
Total curr. liab.	178,569	376,076
Due pens. fund	41,848	41,848
Reserves	539,111	545,098
Capital stock	1,614,800	1,614,800
Capital surplus	74,000	74,000
Surplus	1,071,506	1,032,848
†After depr. of	3,773,744	3,693,628
Working capital	1,928,958	1,916,209

Public Utilities

NORTH-WEST TELEPHONE CO., Vancouver, net profit of $255,815 for 1957 was 27.4% lower than 1956's $352,218.

The year was another period of growth and achievement in all phases of operations, says President Gordon Farrell.

Number of telephones increased by 2,388 to 15,595.

Volume of local calls rose from an average of 63,692 per business day in 1956 to an average of 79,293 in 1957, and long distance calls completed to 640,000 compared from 552,000 in 1956.

Company continued to replace manual exchanges with automatic systems.

Long distance radiotelephone facilities were expanded in capacity and improved in operation. In cooperation with **the British Columbia Telephone Co.**, the Vancouver-Prince George radio system is being re-routed in order to achieve better transmission and provide additional circuits between these points.

The radio chain extending from Vancouver to the northern tip of Vancouver Island was expanded and extended to Kitimat and way points by addition of relay stations.

Other radiotelephone services were expanded. Fixed radio stations increased from 471 to 490, number of coastal and harbor vessels using service rose from 2,861 to 3,138 and number of mobile installations increased from 262 to 323.

Company was successful in promoting the lease of a number of private radio-telephone systems for mobile use. Two of the larger installations serve an important forest products enterprise and a construction company.

Total plant investment increased from $7,367,000 to $10,518,000 at year end.

Company borrowed $3.5 million from British Columbia Telephone Co. for a five-year period to replace short-term financing.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Gross revenue	$2,821,363	$2,416,893
Net earnings	1,161,244	1,128,242
Less: Deprec.	442,235	330,605
Bd. & note int.	210,812	95,374
Amortization	4,365	4,365
Taxes	248,017	345,680
Net profit	255,815	352,218
Less: Pref. divds.	50,000	50,000
Common divds.	80,000	80,000
Surplus for year	125,815	222,218
Times All Interest Earned:†		
Before deprec.	5.49	11.78
After deprec.	3.39	8.31

†After deducting amortization.

Earnings per Share and Dividend Record:		
Pref.	$2.56	$3.52
Paid	0.50	0.50
Common	1.03	1.51
Paid	0.40	0.40
Shares o/s as at Dec. 31:		
5% Pref., $10 par	100,000	100,000
Ordinary, n.p.v.	200,000	200,000

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$197,678	$242,766
Accts. rec. less res.	506,559	302,551
Inventories	585,173	506,290
Total curr. assets	1,289,410	1,051,607
Misc. assets	107,509	274,728
Fixed assets†	8,739,414	5,715,439
Total assets	10,136,333	7,041,774
Accts., etc., pay.	577,125	1,289,313
Income taxes pay.	......	11,284
Divd. pay.	32,500	32,500
Notes pay.	800,000	800,000
Total curr. liabs.	1,409,625	2,133,097
Reserves	191,760	191,760
Def. inc tax	775,290	583,074
Funded debt	5,000,000	1,500,000
Capital stock	2,010,000	2,010,000
Earned surplus	749,658	623,843
†After deprec. of	1,778,496	1,651,616
Working capital*	120,215	1,081,490

*Excess of curr. liabs. over curr. assets.

Merchandising

DUPUIS FRERES LTEE., Montreal, net profit was $327,366 for year ended Jan. 6, 1958, compared with $419,734 for 49 weeks ended Jan. 7, 1957.

Decrease in profit is due to rising operating expenses and payroll costs, says President Raymond Dupuis. Local difficulties in a few districts affected the mail order trade.

In Nov. 1957, company issued $1.5 million new sinking fund general debentures series "B" 6½% maturing Nov. 15, 1969. Proceeds were applied to reduce company's bank loan.

INCOME ACCOUNT

Years Ended:	Jan. 6 1958	Jan. 7 1957
Net earnings	$1,153,000	$1,232,415
Less: Mtge. int.	250,501	216,275
Deprec.	241,749	231,013
Taxes	323,384	365,393
Amort. of deb. disc.	10,000	......
Net profit	327,366	419,734
Less: Pref. divds.	70,499	72,590
Cl. A divds.	165,000	165,000
Surplus for year	91,867	182,144
Earnings per Share and Dividend Record:		
Pref.: Earned	$5.49	$6.87
Paid	1.20	1.20
Cl. A: Earned	0.86	1.16
Paid	0.55	0.55
Cl. B: Earned	0.31	0.61
None paid.		
Shares o/s as at:		
4.8% Pref., $25 par	59,590	61,137
Cl. A, n.p.v.	300,000	300,000
Cl. B, n.p.v.	300,000	300,000

CONDENSED BALANCE SHEET

As at:	Jan. 6 1958	Jan. 7 1957
Cash	$175,781	$167,984
Accts. rec., less res.	4,920,707	4,963,117
Inventories	2,668,492	2,542,882
C.s.v., life insur.	16,409	15,009
Total curr. assets	7,781,389	7,688,992
Prepaid exp.§	202,159	197,536
Misc. assets	205,351	137,389
Fixed assets	9,785,909	9,755,626
Total assets	17,974,808	17,779,543
Bank loan	775,000	2,200,000
Accts., tax., etc., pay.	2,030,293	2,010,579
Total curr. liab.	2,805,293	4,210,579
Funded debt	3,865,000	2,505,000
Deprec. res.	2,746,614	2,553,942
Misc. res.	17,744	17,256
Unearned int. res.	315,000	322,000
Capital stock	3,489,750	3,528,425
Capital surplus†	1,587,825	1,591,905
Earned surplus	3,147,582	3,050,436
Working capital	4,976,096	3,478,413

§Incl. in curr. assets in co.'s statement.
†Arising from appraisal of fixed assets.

Construction

NATIONAL SEWER PIPE CO., Toronto, net profit of $50,637 for year ended Oct. 31, 1957, was 45% lower than previous fiscal year's $92,708.

Company redeemed 4,191 preferred shares for $62,865 and retired $75,600 of its funded debt.

INCOME ACCOUNT

Years Ended Oct. 31:	1957	1956
Oper profit	$255,807	$390,194
Add: Sundry rev.	33,228	35,021
Less: Taxes	16,200	60,000
Depreciation	222,198	272,507
Net profit	50,637	92,708
Earnings per Share and Dividend Record:		
Preferred	$0.092	$1.57
None paid.		
Common	d0.08	0.63
None paid.		
Shares o/s as at Oct. 31:		
Pref., $15 par	54,809	59,000
Common, n.p.v.	53,195	53,195

CONDENSED BALANCE SHEET

As at Oct. 31:	1957	1956
Cash	$271,787	$267,072
Invest., cost†	435,212	616,928
Accts. rec. less res.	347,453	330,952
Inventories	339,323	324,328
Total curr. assets	1,393,775	1,539,280
Def. chgs., etc.	......	8,400
Inv. & adv assoc. co.	359,167	369,167
Other invests.	165,000	......
Fixed assets▲	1,264,439	1,458,191
Total assets	3,182,381	3,375,038
Accts., taxes pay.	347,535	454,384
Bond, debent. int.	26,146	27,667
Total curr. liabs.	373,681	482,051
Funded debt	1,334,400	1,410,000
Capital stock	883,232	946,097
Capital surplus	109,533	105,992
Earned surplus	431,535	430,898
†Mkt. val.	383,736	586,090
▲After depr. res. of	2,913,958	2,691,760
Working capital	1,020,094	1,057,229

Pipelines

PEMBINA PIPE LINE LTD., Calgary, net profit of $1,095,079 for year ended Nov. 30, 1957 was 0.7% lower than previous fiscal year's $1,102,429.

During year 38,814,000 bbl. of crude oil, or an average of 106,000 b/d were delivered at Edmonton terminal facilities, says President James A. Scott. This throughput, an increase of 20% over 1956, fell short of original estimates for 1957 deliveries by 19,000 b/d.

Owing to resumption of flow in the Middle East, oil production failed to reach expected levels.

Gathering facilities in the Willisden Green field, 20 miles south of the Pembina field, and in the Keystone field, 10 miles east, were constructed and now form part of the pipeline system.

To connect additional batteries to system and prepare for anticipated throughput increases 116 miles of gathering line were laid. At Nov. 30, 1957 there were 543 miles of pipeline ranging in size from 3 in. to 16 in. installed in the system.

An additional 32 miles of 16 in. pipe laid parallel to existing line between Edmonton and Calmar proved to be unnecessary and company's negotiating its sale to **Northwestern Utilities Ltd.**

Three apartment units were constructed to provide housing accommodation for field employees.

Common shares were split four-for-one, increasing common stock from one million to four million shares.

Capital expenditures totaled $5,986,000, including $5,455,000 for pipeline facilities. Cash requirements were obtained as follows: $2,428,000 from operations, $2,872,000 from withdraws of funds held by the Trustee, and balance of $686,000 from bank loan.

This loan, together with the further increase of $889,000, was a temporary requirement pending issuance and sale of $2.4 million 6% first mortgage bonds series "C" and $720,000 6% convertible sinking fund debentures series "C" in December 1957.

The 1958 capital expenditures will be for additional gathering facilities in the Pembina, Willisden Green and Keystone fields.

INCOME ACCOUNT

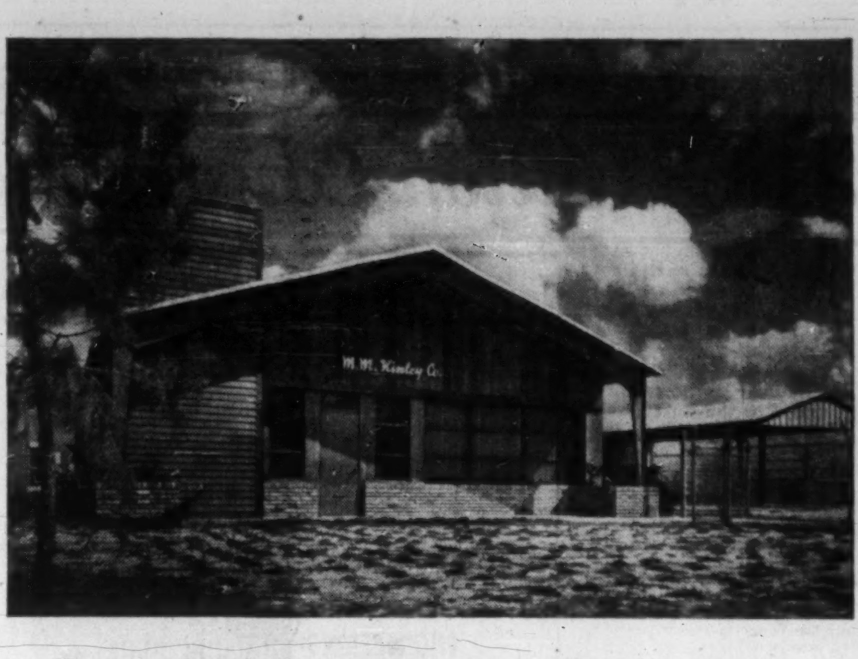
Years Ended Nov. 30:	1957	1956
Pipeline rev.	$5,191,132	$4,408,520
Net revenue	3,516,385	3,166,259
Add: Other income	67,533	......
Less: Deprec.	893,056	576,894
Interest	633,121	452,767
Amort.	21,293	17,772
Income tax	966,802	984,948
Finan. exp.	4,567	31,449
Net profit	1,095,079	1,102,429
Less: Pref. divds.	100,000	100,000
Surplus	995,079	1,002,429
Earnings per Share and Dividend Record:		
Pref.	$27.38	$27.56
Paid	2.50	2.50
Common	‡0.62	2.51
None paid.		
‡Stk. split 4-for-1 in March, 1957.		
Shares o/s as at Nov. 30:		
Pref., $50 par	40,000	40,000
Common, $1.25 par	*1,600,352	......
Common, $5 par	......	400,000

*After 4-for-1 stk. split.

CONDENSED BALANCE SHEET

As at Nov. 30:	1957	1956
Cash	$572,229	$358,886
Dep. with trustee	195,669	1,721,957
Accts., etc., rec.	409,229	494,689
Inventory	145,802	102,042
Total curr. assets	1,322,929	2,677,574
Prepaid exps. & dep.§	47,897	54,560
Fixed assets†	23,458,224	18,883,507
Oil supply	482,191	333,774
Const. fund with trustee	......	1,337,405
Leasehold improv.	2,999	3,317
Deferred chgs.	295,191	318,839
Total assets	25,609,431	23,608,976
Due bank	3,575,000	2,000,000
Accts., etc., pay.	633,095	1,337,713
S.f. instal.	632,500	57,744
Income tax	293,705	293,933
Total curr. liabs.	5,134,300	3,689,390
Def. inc. tax	1,273,695	855,473
Funded debt	12,880,500	13,742,256
Capital stock	4,000,440	4,000,000
Earned surplus	2,316,936	1,321,857
Contrib. surplus	3,560	......
†After depr. of	1,617,201	736,762
Woaking capital▲	3,811,371	1,011,816

§Included in curr. assets in co.'s report.
▲Excess of curr. liabs. over curr. assets.



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"We like our Butler building fine," said Mr. Kinley. "It does a good job of housing our offices and workshop for making special oil field tools. Both areas are completely air conditioned. And, of course, because it's mostly Butler metal construction, it's fire-safe."

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Company

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ANNOUNCEMENT

City Parking Limited Appointment

MR. JOHN R. WALKER, P.Eng.

The Directors of City Parking Limited are pleased to announce the appointment of Mr. John R. Walker, P.Eng., to their Board of Management. Mr. Walker is an engineering graduate of the University of Toronto with extensive experience in construction and municipal engineering fields. He was Deputy Traffic Engineer for the City of Toronto from 1949 to 1953 when he became General Manager of the newly created Parking Authority of Toronto. Mr. Walker is a Member of the Association of Professional Engineers for Ontario, the Institute of Traffic Engineers, the Ontario Traffic Conference and the National Parking Association. Mr. Walker will be responsible for the development and operation of the parking and service station facilities of City Parking Limited and its Affiliated Companies in Canada and the United States.

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MacNab's Portfolio

A Managed Investment Account

Invested in 1944 .... $10,000
Account latest valuation $32,422

U.S. Trends Key Factors

MacNab's manager feels that pessimism in U. S. and slower business conditions in both countries are bound to affect the Canadian market.

He has made no changes in the portfolio, however, since mid-January.

His policy is to wait and watch for favorable opportunities to upgrade the account from the standpoint of security and income. No changes have been made in the portfolio since mid-January.

Here is the manager's report:

The stock markets have shown some improvement during the past two weeks from their lows of February, and coincident with this improvement in sentiment, good investment stocks have shown some recent strength.

No improvement in general business conditions, however, is noted, and unemployment is currently at a 16-year high in the U.S., around 5,000,000.

President Eisenhower and his administration are taking anti-recession steps to combat the decline in industrial and business activity. These include a $2.5 billion program on public works and national defense with the accent on guided missiles. Under study is a possible decrease in taxes.

Recent anti-deflation measures taken by the Federal Reserve Board involve reduction in the rediscount rate to 2¾% in some of the Federal Reserve Districts, and a lowering in margin requirements to 50% by the New York Stock Exchange.

The automobile business is feeling the effects of reduced purchasing power which has resulted in large layoffs in Detroit and other automobile manufacturing centres, both in the U. S. and Canda.

The steel industry has been operating at about 55% of capacity in the U. S., with production in March anticipated to be lower than in February.

As a result of all this pessimism in the U. S., the Canadian market is bound to be affected from a psychological standpoint as well as from similar business conditions, particularly with reference to exports of pulp, newsprint, lumber and other forest products, and base metals.

The perennial rumor that there may be an increase in the price of gold is circulating again, but no confirmation of this can be found in government quarters. The real reason for recent strengthening in gold stocks appears to be that there is a reduction in operating costs in the gold mining industry coupled with a lowering of the premium on Canadian funds in terms of U. S. exchange.

I eliminated gold stocks from the account several years ago due to the unattractive yields, and the unpromising prospects for the gold mining industry.

Some strength has been seen in some of the stocks in the portfolio, including **B. C. Power, B. C. Telephone, Hiram Walker, Distillers Corp.-Seagrams, International Utilities, A. V. Roe and Sicks' Breweries.**

I have made no changes in the account since Jan. 13, but will continue my policy of upgrading it from the standpoint of security and income, as and when a favorable opportunity presents itself.

Saint John Seeks More Ship Traffic

From Our Own Correspondent

SAINT JOHN — The sharp spur of necessity has raked Saint John's industrial and port traffic promotion effort.

The National Harbors Board reports sagging traffic through the harbor that is the economic mainspring of a community of 85,000.

The report, however, was not all gloom. Import traffic was up approximately 50%.

The NHB report showed an over-all drop of 13% in traffic through here in 1957.

That was in sharp contrast with the 1956 importance which was the best since the post-World War II year of 1947.

A puzzle was the contrast with Halifax. Over-all traffic through the sister Maritime port was up 2% in 1957.

Only harbor with a bigger drop than Saint John percentage wise was Montreal which had a 14% drop.

Vessel arrivals at Saint John decreased from 1,608 to 1,589. Tonnage of vessels fell from 2,701,415 to 2,563,574 and cargo tonnage dropped from 3,057,251 to 2,668,863.

Biggest single drop was in movement of grain. Where a year ago the elevators in Saint John sent 28,649,717 bu. of grain overseas, in 1957, the total was slightly more than 16 million bu. of grain, which was a drop of 296,000 tons from 1956.

Import cargo brought through Saint John climbed 5% to 888,000 tons.

But general exports dropped to 853,000 tons.

COVERED BRIDGES

From Our Own Correspondent

SAINT JOHN — New Brunswick's department of public works is still erecting wooden covered bridges. A covered bridge is under construction over the River Tay at Taymouth in York County. It will replace a 50-year-old structure, the Abernethy Bridge.

One of North America's best equipped tool rooms — part of C.S.I.'s "Clean Casting" service

C.S.I.'s tool room is one of the best equipped in North America. It is completely staffed with skilled craftsmen. Here is where casting moulds and dies are made. Constantly improved methods evolved in this tool room and in the foundry are combined with constant checking to produce C.S.I. "Clean Castings". These are smooth-surfaced castings, with no pits, cracks, rough edges or grainy finishes. They are strong-bodied and have uniform characteristics from face to face. C.S.I. "Clean Castings" take only half the time to finish and machine.

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Company Reports

Public Utilities

BRITISH COLUMBIA ELECTRIC CO., Vancouver, consolidated net profit of $13,638,133 for 1957 was 10% higher than 1956's $12,399,783.

Further detail on company's operations and those of its parent, **British Columbia Power Corp.** (FP, March 15).

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1957 $	1956 $
Net income	13,687,613	12,449,064
Less: B. C. El. Rly. pref. divd.	49,480	49,281
Net profit	13,638,133	12,399,783
Less: Pref. divds.	4,160,136	3,618,337
A & B divds.	5,684,000	5,003,000
Surplus for year	3,793,997	3,778,446
Earnings per Share and Dividend Record:		
Pref.: Times earned	$3.28	$3.43
4% Paid	4.00	4.00
4¾% Paid	4.75	4.75
5% Paid	2.50	2.50
5% 1956 ser. paid	2.50	*0.38
4½% Paid	2.25	2.25
4¼% Paid	2.12½	2.12½
5½% Paid	*0.11	....
Common: Earned	2.89	3.20
*Initial.		
Shares o/s as at Dec. 31:		
4% Pref., $100 par	120,000	120,000
4¼%, $50 par	220,000	220,000
4½%, $50 par	300,000	300,000
4¾%, $100 par	264,134	264,134
5%, $50 par	500,000	500,000
5½%, $50 par	300,000	......
Common, n.p.v.	3,279,024	2,745,690

Financial

CENTRAL TRUST CO. OF CANADA, Moncton, N.B., net profit of $58,101 for 1957 was 13% higher than 1956's $51,409.

Company achieved record earnings and assets under administration, says President Ambrose Wheeler.

Company's general reserve at Dec. 31, 1957 was $201,057 with reserve for investments being $80,000 and reserve for mortgages $26,211. Total assets of $32.8 million were $2.8 million greater than year earlier.

	1957	1956
Liabs. to public, etc.*	$5,965,389	$6,009,443
Reserves	106,211	67,444
Shareholders' equity	766,600	778,941
*Secured by:		
Mtges. & accr. int.	3,553,939	3,674,166
Office premises	183,331	184,729
Liquid assets‡	3,100,930	2,996,933
Total	6,838,200	6,855,828
‡Includes bonds and stocks.		
Estates account	26,025,446	23,164,803
Net profit	58,101	51,409
Earnings per Share:†		
Earned	$1.10	$0.98
Paid	0.70	0.60

†Based on amount paid on subscribed capital, part of which, during the year, did not rank for dividends.

Iron and Steel

CANADIAN FAIRBANKS-MORSE CO., Montreal, net profit of $578,393 for 1957 was 28% lower than 1956's $807,017.

Net shipments were $31,397,471, down 10.8% from 1956's record $35,206,334, say Chairman R. H. Morse and President Robert H. Morse, Jr. This decrease was fairly evenly distributed over all product lines. It accelerated during last six months of year.

Operating costs are continuing to bear heavily on profits. Revisions of operating procedures and new methods cut expenses.

Company reduced its loans from $2 million to $1 million.

Under the employees' stock purchase plan which expired April 15, 1957, of the 15,000 common shares allotted 6,635 shares were taken up. Of these, 6,390 were fully paid for at Dec. 31, 1957.

Orders received were approximately the same as 1956. Unfilled orders carried into 1958 exceed those at the end of 1956 by approximately 68%.

New business for 1958 has not yet taken a definite trend, but indications are that 1958 should be a moderately better year both in volume and profit.

Approval was given to proposal to increase the authorized common shares from 375,000 to one million shares. The authorized capital after this increase is 10,292 6% cumulative preferred shares and one million common shares of which 10,292 preferred shares and 246,390 common shares are outstanding.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Net income	$1,255,953	$1,580,494
Less: Deprec.	162,360	160,277
Prov. for inc. tax	515,200	613,200
Net profit	578,393	807,017
Less: Pref. divds.	61,752	63,936
Com. divds.	295,325	281,631
Surplus for year	221,316	461,450
Earnings per Share and Dividend Record:		
Preferred	$56.20	$75.73
Paid	6.00	6.00
Common	2.10	3.03
Paid	1.20	1.15
Shares o/s as at Dec. 31:		
6% Pref., $100 par	*10,292	10,656
Common, n.p.v.	‡246,390	245,570

*Includes 159 shs. held for redemption.
‡Not including 245 shares subscribed and unissued.

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$549,178	$411,273
Accts. rec.	4,963,525	6,875,112
Inventories	7,158,724	6,485,399
Total curr. assets	12,671,422	13,771,784
Prep. exps.§	14,279	28,493
Fairbanks-Morse shs.*	602,561	600,000
Fixed assets†	2,177,417	2,230,137
Total assets	15,465,679	16,630,414
Notes payable	1,000,000	2,000,000
Accts. & tax. pay.	3,005,293	3,337,593
Pref. divds. pay.	15,438	15,984
Total curr. liab.	4,020,731	5,353,577
Conting. res.	650,000	650,000
Capital stock	2,730,115	2,770,145
Earned surplus	8,064,833	7,856,692
†After depr. of	1,416,181	1,342,906
§Incl. in curr. assets in co.'s report.		
*After bank loan of $2,194,104 secured thereby.		
Working capital	8,650,691	8,418,207

Druggists' Supplies

FRANK W. HORNER LTD., Town of Mount Royal, Que., net profit of $268,279 for 1957 was 0.5% higher than 1956's $267,011.

Sales were a record, both domestic and export. Exports show encouraging improvement, says President H. R. Horner.

Distribution depots in Toronto, Winnipeg and Vancouver were opened to improve delivery service.

Construction of a 19,000 sq. ft., $240,000 research wing was started and completion is expected in April, 1958. Cost will be financed from company funds and short term borrowing.

Annual meeting is March 24.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Net earnings	$533,372	$521,861
Less: Deprec.	35,949	36,419
Amort. of pat.	774	774
Inc. taxes	228,370	217,657
Net prof.	268,279	267,011
Less: Dividends	58,683	59,355
Surplus for year	209,596	207,656
Earnings per Share and Dividend Record:		
Pref.	$1.00	$0.79
Paid	0.01	0.01
Class A†	4.71	4.67
Class A‡	2.36	2.34
Paid	0.50	0.50
Class B†	4.27	4.24
Class B‡	2.39	2.37
Paid	0.50	0.50
†Before (‡after) participation.		
Shares o/s as at Dec. 31:		
Preferred, $1 par	268,783	335,970
Class A, n.p.v.	56,440	56,440
Class B, n.p.v.	55,550	55,550

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$25,572	$82,143
Accts. rec. less res.	829,004	790,925
Inventories	464,491	309,379
Total curr. assets	1,319,067	1,182,447
Misc. assets	77,512	55,973
Fixed assets*	654,744	568,831
Patents	8,680	9,454
Total assets	2,060,003	1,816,705
Total curr. liabs.	376,101	275,212
Capital stock	550,983	618,170
Capital surplus	179,177	111,990
Earned surplus	953,742	811,333
*After depr. of	285,451	256,481
Working capital	942,966	907,235

ESSAY COMPETITION

New York Life Insurance Co. is offering $12,500 in prizes to Canadian high school and university students for essays on the theme "My Career in Canada during the next 25 years." There will be 30 awards at the high school level, with prizes of $350, $200 and $100 in each of 10 geographical regions. At the university level, there will be 11 awards of $500 each, plus an additional $500 to the national winner.

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THE BRITISH AMERICAN OIL COMPANY LIMITED

R-4432C

ALGOMA STEEL CORPORATION, LIMITED

Excerpt from the Annual Report to Shareholders for the year 1957

FINANCIAL

The year 1957 opened with a period of unprecedented activity of the Corporation and all records were broken in the first half of the year. In the second half, the general slowdown in business in Canada was felt in most lines and production dropped well below the same period in 1956. The results for the year as a whole showed sales volume equal to the previous year, but net profit lower principally due to extraordinary charges attributable to construction, higher depreciation and higher tax rates.

Consolidated net profit for 1957 amounted to $14,178,296, equal to $2.49 per share on the 5,703,080 issued shares.

The following is a comparison of some of the significant figures for 1957 and 1956:

	1957	1956
Total income	$144,006,416	$143,961,074
Costs other than listed below	109,221,371	110,532,988
Moving and rearranging plant	1,692,476	
Depreciation, depletion and mine development costs written off	7,639,468	6,290,086
Profit before providing for taxes on income	25,453,101	27,138,000
Taxes on income	11,274,805	11,423,607
Net profit	14,178,296	15,714,393
Net profit per share	2.49	2.76
Dividends per share	1.00	
Capital and mine development expenditures	25,790,300	9,245,464
Working capital	44,619,666	52,773,353
Long term debt	11,389,851	11,982,122

In 1957 profits were helped by continuing improvement in operating performance resulting from large capital expenditures in recent years, strong effort by supervision and cooperation by labour at all levels. Profits were affected adversely by three factors: extraordinary expense of $1,692,476 for moving and rearranging plant as a result of the large construction program; an increase of $1,349,382 in provision for depreciation, depletion and mine development costs; and approximately $500,000 additional taxes on 1957 income due to increased tax rates. Depreciation was provided on capital expenditures as they were incurred, although no major unit of the new plant being constructed came into operation in 1957.

Working capital declined to $44,619,666 and cash declined to $4,755,402, due primarily to capital and mine development expenditures which amounted to $25,790,300. Inventories increased $4,260,764 mostly due to stocking pig iron to provide for sales during the relining and enlargement of No. 6 Blast Furnace at Sault Ste. Marie and the relining of No. 1 Furnace at Port Colborne.

The first dividends on common shares since incorporation in 1934 were paid in 1957 and amounted to $1.00 per share on 5,703,080 shares.

GENERAL OPERATIONS

Overall activity of the Corporation for the year was about 90% of capacity, somewhat lower than in 1956. Lower volume and increased labour and raw material costs tended to increase production costs. These increases were partially offset by operational improvements and better raw materials available to the Corporation.

Production and shipments were as follows:

Production	1957 NT	1956 NT
Coke Ovens — Coke	1,173,013	1,288,109
Blast Furnaces — Iron	1,433,794	1,489,985
Open Hearths — Steel Ingots	1,065,793	1,104,750
Shipments	**1957 NT**	**1956 NT**
Coke	255,651	279,753
Pig Iron	536,021	606,003
Steel Products	822,680	870,610

Improvements were effected in the performance of the Rail and Structural Mill and major repairs and renovations made to the 18 inch Merchant Mill should assure satisfactory performance of this Mill for several years.

Production of Algoma Sinter from the Helen and Victoria Mines at Jamestown amounted to 1,581,688 gross tons compared to 1,411,427 gross tons in 1956.

Production at the Cannelton and Lake Superior coal mines amounted to 1,248,912 net tons and with continuing mechanization of mining operations and completion of a Coal Preparation Plant at the Lake Superior mine, operations at both mines are well stabilized and efficient.

SALES

The general decline in business activity in 1957, particularly in the last half of the year, resulted in a gradual softening in the market for steel products. By the fourth quarter most types of steel products were in good supply and the market had become highly competitive. Sales of heavy structural sections, rails and rail fastenings remained strong throughout the year; sales of grinding balls increased, largely as a result of the starting up of milling operations at the uranium mines in the Blind River area; and sales of tube rounds improved through the year. The trend toward sale of more highly finished steel products continued, and the most important class of steel sold was flat rolled. Less than 2% of steel sold was in semi-finished form and the average value per ton of steel produced climbed sharply.

A weakening was experienced in the export and domestic markets for pig iron. The rate of operations of domestic foundries declined, scrap became readily available at unusually low prices and other iron producers came back into the market after a long absence.

Price increases of pig iron and steel products to offset increased labour and raw material costs were again modest.

Large tonnages of steel products were again imported into Canada. On February 28th, 1957 the Chairman of the Tariff Board submitted the recommendations of the Board to the Minister of Finance in connection with the revision of the Customs Tariff of 1907, relating to primary iron and steel products. These recommendations providing for moderate increases and decreases in some items of the Tariff Schedules have not been implemented yet and the industry is hopeful that revised tariffs will be passed without further delay.

The probable duration of the adjustment period through which the Canadian and American economies are passing is difficult, if not impossible, to forecast but the downward trend in 1957 has not shaken in the least the Corporation's confidence in the future of the iron and steel industry in Canada.

IMPROVEMENTS, ADDITIONS AND ALTERATIONS

Major construction and development programs were carried out during 1957 at the Steelworks at Sault Ste. Marie and the iron properties at Jamestown with very little interference to operations. Capital and mine development expenditures amounted to $25,790,300 and $1,692,476 was spent on moving and rearranging plant and equipment at the Steelworks. At December 31st, 1957 the remaining expenditure to complete the Expansion Program started in the latter part of 1956 and referred to in the Annual Report last year amounted to approximately $42,000,000.

The following facilities at the Steelworks were completed during the year:

An Ingot Mould and Iron Foundry, 70,000 square feet in area, was constructed and commenced operation in August 1957. Moulds which were formerly purchased, are an important requisite to steelmaking and this Foundry permits the Corporation to produce its own ingot moulds at a saving. The old Iron Foundry building has been dismantled.

The Pig Cast Plant was relocated and as a result of this relocation and improvements effected in conjunction therewith, the Corporation now has a better plant of higher capacity.

A modern Maintenance Shop over 70,000 square feet in area was constructed with space and equipment for major machine construction and repair, electric repair, pattern making, and for the Fuel and Transportation Departments. The old Shops replaced by this new Shop were dismantled.

A Gas Cleaning Plant was completed in the Blast Furnace Department and brought into operation in February 1957. All blast furnace gas can now be fine cleaned with resultant economies in the use of this gas throughout the Works. Flue dust recovery equipment installed in conjunction with the Gas Cleaning Plant permits recovery of flue dust in such form that it may be used as a charge material in the Steelworks Sinter Plant and a potential dust nuisance has been eliminated.

Work is progressing satisfactorily on the following units at the Steelworks:

A new Coke Oven Battery of 57 ovens which was mostly completed at the end of the year. This Battery replaces No. 1 Battery which was first built in 1910 and was dismantled in 1957 and will increase total coke producing capacity to 1,458,000 net tons per year.

Erection of a new 20 ton capacity Ore Bridge which will replace the 50 year old No. 1 Bridge is well under way. The new bridge is now scheduled for completion in May 1958 and paves the way for an increase in blast furnace capacity.

In December 1957 No. 6 Blast Furnace was taken out of operation for relining and enlargement to a 27 foot diameter hearth. This Furnace will be the Corporation's largest iron producing unit, with capacity of over 1,400 tons per day. No. 1 Blast Furnace built in 1902 was dismantled.

A Boiler House and Turbo Blower are being installed and these together with the enlarging of No. 6 Blast Furnace will increase iron producing capacity to 1,500,000 tons per year at Sault Ste. Marie and yield operating economies. These are scheduled for completion in 1959.

The site has been cleared for construction of the L-D Oxygen Steel Plant and erection of structural steelwork is now well under way. It is expected that this Plant will start production during the latter part of 1958, raising the Corporation's capacity for producing steel ingots by one-third. Production was discontinued from the small 50 year old furnaces in No. 1 Open Hearth Shop and three of the remaining seven furnaces were dismantled.

A program of enlarging the Combination Bar and Strip Mill to permit production of flat rolled products up to 30 inches wide progressed favourably and is scheduled for completion early in 1958.

The site formerly occupied by old shop buildings and railway tracks has been cleared for construction of a Blooming and Plate Mill, 250,000 square feet in area. Installation of foundations has commenced and completion of the Mill is now scheduled for early in 1959. Construction of 9 new Soaking Pit Furnaces for this Mill is underway and a new Ingot Stripper Building is nearing completion.

Rearrangement of railway tracks and transfer yards in the Steelworks is being carried out to eliminate "bottle necks" in rail movement wherever possible.

At Canadian Furnace Co. at Port Colborne the small, inefficient No. 2 Blast Furnace was dismantled and the larger No. 1 Furnace shut down for relining shortly after the close of the year.

A new Coal Preparation Plant at the Lake Superior coal mine was brought into production in July 1957. This Plant together with mechanization of mining operations has resulted in increased output of improved quality coal.

In August 1957 a sixth sintering machine was brought into operation at Jamestown, increasing capacity by 500,000 gross tons to 2,000,000 gross tons of Algoma Sinter per year. A new Ore Concentration Plant adjacent to the Sinter Plant will be completed in 1958, together with railway unloading and stockpile and ore conveying facilities for handling ore from the Sir James Mine.

About 1,400,000 gross tons of bank waste were removed at the Sir James Mine in 1957 and it is expected that this new mine will be brought into production in 1958 provided demand for ore continues.

The exploration of an area of over one million acres in the northern part of the District of Algoma started in 1956 was continued through 1957. This program will take several more years to complete.

FINANCIAL PLANS

Expenditures to December 31st, 1957 under the Expansion Program have been financed with funds generated through operations, but it is the Corporation's intention to borrow to the extent required during 1958 under the special credit of $17,500,000 arranged for in 1957 and available until the middle of 1959. The extent of this borrowing, or of other financing which may be considered advisable, will depend largely on business conditions.

ALGOMA STEEL CORPORATION, LIMITED AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET as at December 31, 1957

ASSETS

CURRENT			
Cash		$ 4,755,402	
Bills and accounts receivable		17,028,201	
Inventories valued at the lower of cost or market		40,811,612	
Prepaid expenses		1,035,947	$ 63,631,162
ACCOUNTS RECEIVABLE FROM EMPLOYEES UNDER AGREEMENTS OF SALE			423,368
INVESTMENTS AT COST			
Marketable securities (Market value $20,621,897)		6,058,515	
Other securities		157,398	6,215,913
FIXED ASSETS			
Properties, plant and equipment at cost		148,100,183	
Less allowances:			
Depreciation and depletion	$80,925,468		
Rebuilding and relining furnaces, etc.	2,223,751	83,149,219	
		64,950,964	
Mine development at cost	10,280,726		
Less amount written off	4,562,675	5,718,051	70,669,015
			$140,939,458

LIABILITIES

CURRENT		
Accounts payable and accrued liabilities	$ 13,473,611	
Taxes on income and other taxes	5,537,885	$ 19,011,496
LONG TERM LOAN		11,389,851
DEFERRED TAXES ON INCOME		12,097,700
DEFERRED CREDIT TO INCOME		383,946
SHAREHOLDERS' EQUITY		
Shares - no par value		
Authorized — 15,099,880 shares		
Issued — 5,703,080 shares	8,873,924	
Contributed surplus	2,211,485	
Retained earnings	86,971,056	98,056,465
		$140,939,458

STATEMENT OF CONSOLIDATED EARNINGS for the year ended December 31, 1957

INCOME		
Net sales		$142,479,951
Investment income including $272,940 capital gain		1,526,465
		144,006,416
COST AND EXPENSES		
Cost of sales other than listed below	$105,699,016	
Expense of moving and rearranging plant	1,692,476	
Administrative, selling and general expense	2,850,052	
Remuneration of directors including their salaries as executive officers	207,070	
Interest on long term loan	376,888	
Other interest	88,345	
Mine development cost written off	1,152,588	
Depreciation and depletion	6,486,880	118,553,315
PROFIT BEFORE PROVIDING FOR TAXES ON INCOME		25,453,101
TAXES ON INCOME		
Current	9,406,405	
Deferred	1,868,400	11,274,805
NET PROFIT		$ 14,178,296

Notes to the Financial Statements are contained in the printed Annual Report to Shareholders, copies of which are available on request to the Secretary, Algoma Steel Corporation, Limited, Sault Ste. Marie, Canada.

WORKS AND OPERATIONS

Algoma Steel Corporation, Limited	Sault Ste. Marie, Ontario
Canadian Furnace Co. Limited	Port Colborne, Ontario
Algoma Ore Properties, Limited	Michipicoten District, Ontario
Cannelton Coal & Coke Company	Cannelton, West Virginia
Lake Superior Coal Company	Welch, West Virginia

SALES OFFICES

Sault Ste. Marie, Ontario
Bank of Montreal Building, Toronto, Ontario
Canada Building, Windsor, Ontario
Royal Bank Building, Hamilton, Ontario
Sun Life Building, Montreal, Quebec
Paris Building, Winnipeg, Manitoba

PRODUCTS

Industrial Coke
Coal Chemicals
Benzol, Light Oil, Sulphate of Ammonia, Tar, Naphthalene, Pyridine
Pig Iron
Foundry
Malleable
Basic

Blooms, Billets & Slabs
Heavy and Light Rails
Rail Fastenings
Heavy Structurals
Carbon Merchant Bars & Light Structurals
Tube Rounds
Sheet Piling

Grinding Balls and Rods
Universal Plate
Hot Rolled Sheet and Strip
Cold Rolled Sheet and Strip
Electrical Sheet and Strip
Skelp
Alloy Steels

Our European Trade Hit By French Counter-Plan

By MICHAEL BARKWAY

PARIS (Staff)—Suggestion of a closer trading relation between Canada and the European Economic Community (of France, Germany, Benelux and Italy) has come up here in a new and unacceptable form. It underlines the serious difficulty U. K. is facing in trying to get European agreement to its plan for a Free Trade Area surrounding the Common Market.

But it may also revive Canadian consideration of ways to develop an acceptable form of trade association with the powerful European Common Market. Although such ideas have never been officially expressed in Ottawa, some advisers with influence in Conservative ranks are known to have advocated closer ties with Europe as well as the Commonwealth; and the Liberals have talked about including all the NATO countries.

The question has been reopened here by a stipulation in the French counter-proposal to Britain's Free Trade Area plan.

This counter-proposal is now being discussed with France's five partners in the Common Market. It will not be presented to the United Kingdom or the OEEC until March 31, after the six have attempted to form a common front.

But enough is known here to show that French hostility to the British plan for a wider free trade area is still bitter; and the kind of modified plan which the French government now says it could put to the Assembly is unlikely to be acceptable in London.

The French Plan

First, as I was told, the French want the gradual reduction of duties between the Common Market countries and the outer ring of the Free Trade Area to be phased back, so that it always lags behind the reductions made within the Common Market. The British wanted the timing to coincide.

Second, the French want to make exceptions for any industry where there are "special problems" (which might be any or all); and they propose "compensatory duties" whenever goods from the countries of the Free Trade Area are offered to the Common Market countries at "artificially" low prices.

Third, they bring in the whole subject of Commonwealth preferences. The argument seems to be that if U. K. has free access—or, considering all the other conditions, "Free access"—to France and the rest of the Common Market, then the Europeans should share at least part of U. K.'s preferred tariff treatment in the Commonwealth.

The proposal does not appear to envisage extension of all Commonwealth preferential rates to all European goods. Rather the French suggest that Commonwealth countries should give the European six quotas of certain specified goods to be admitted at the British Preferential (BP) tariff rate.

An obvious example for France would be cars. French manufacturers have greatly stepped up their production of small cars: they would like to sell more of them at BP tariff rates in Australia — or in Canada, where British cars have free entry.

What does the Commonwealth get in return? So far as I can learn, nothing. As the French see it, it is France that needs compensation for letting the Commonwealth keep its own preferences on agricultural products in the U. K.

Formulation of the French proposals, completed only this week, seems at first sight to justify the worst British fears which I heard expressed in London. Large modifications would be needed to bring this plan within negotiable distance of the British ideas.

The most decisive voice in determining whether any further progress can be made toward the Free Trade Area now must come from Germany.

In Bonn recently I was assured positively and by high authority that the German government considers it "vital" to achieve a Free Trade Area surrounding the Common Market. It was essential, I was told, on economic grounds. It was also essential on political grounds that Europe should not repulse the United Kingdom.

"We cannot be responsible," my informant said, "for driving Britain out of Europe."

Seek Political Unity

But alongside this genuine support for the Free Trade Area, Germany is guided by a very firm directive from Chancellor Adenauer that the first aim of policy must be to maintain solidarity with France.

This is where the political aim of uniting Europe overrules economic considerations. Germany, followed by Holland and Belgium, has already accepted countless protectionist French stipulations on the Common Market. It has undertaken to buy French agricultural produce on such a scale that France is no longer really worried about excluding farm products from the Free Trade Area: this is now just another lever for concessions in the industrial sector.

Germany, therefore, now faces a very difficult decision as to what it should say about the French proposals. Whatever it decides is likely to swing Benelux as well. Even Italy now wants some kind of Free Trade Area to be formed in the rest of Europe. But all these five countries believe that they would not have got the Common Market at all if they had not made great concessions to France. Having got it, they are all anxious to maintain its solidarity.

So it is quite uncertain how far they may now resist the French on this wider question. Some of the German experts I saw in Bonn told me they expected another very long and complex negotiation.

Trade with Scandinavia

I was left in no doubt in London that the U. K. government means to insist on definite answers before the Commonwealth conference in September. Moreover it is already considering what sort of alternative scheme it will fall back on if it cannot get free trade with the Common Market on acceptable terms.

One rudimentary idea is to try to establish a separate Free Trade Area with Scandinavia and any other European countries that may be interested. This again leaves a wide open question about Commonwealth participation.

Whether it is in OEEC negotiations for a Free Trade Area including the Common Market, or whether it is a separate U. K. sponsored Free Trade Area which is attempted, it seems inescapable that trade relations between the Commonwealth and Europe will be involved. Certainly opportunity could be made to get Canada into the bargaining bee, if the new Canadian government decides it wants an opportunity.

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Alberta Trims 1958 Budget

From Our Own Correspondent

EDMONTON — Lush oil revenues of recent years are tapering off, according to the Alberta government's budget for the 1958-59 fiscal year.

The government is estimating a $16 million drop in oil revenues this year, due in part to U. S. import cutbacks.

Government spending in the fiscal year beginning April 1 is put at $263,664,093, or $21,805,277 less than the record 1957-58 budget total of $285,469,370.

Revenue is estimated at $263,693,585, an increase of $11,067,160 over the 1957-58 figure.

The government is budgeting for a surplus of $29,492. No new taxes are proposed.

For the current fiscal year which ends March 31, there is an estimated cash deficit of $32,842,000.

Statutory expenditures are reduced from $71.5 million allotted last year, to $5.6 million this year, reflecting the government's policy to divert money from reserve funds and lending programs.

On the other hand, government expenditures, exclusive of statutory payments, are to be increased by $44,094,723 this year to a total of $258,064,093. This includes payments for municipalities, hospitals, education, public works and welfare.

Major items in statutory expenditures, which were provided for last year but are missing this year, are $35 million invested in the now-defunct **Municipal Finance Corp.**, $11 million in loans to school boards and $10 million to the Alberta Government Telephones. The latter will have to borrow about $28 million this year on the open market to finance further expansion.

Municipal assistance will cost the province $99,117,200, an increase of $13,863,100 over last year.

Education grants will amount to $50,750,000, compared with $43,500,000 last year.

For hospital grants, the amount estimated is $16,180,000, including grants under the new hospital insurance plan.

On capital account, there is an estimated $42,442,660 for major highway construction projects, a decrease of $2,451,410 from the 1957 appropriation.

Revenue from the natural resources, the province's biggest source is estimated at $111,865,000, or $16,154,000 less than the sum expected in the 1957-58 fiscal year.

ANNOUNCEMENT

JOINS SYLVANIA CANADA

M. ROBERT

whose appointment as Industrial Relations Manager of Sylvania Electric (Canada) Ltd. has been announced by R. E. Niedringhaus, President. Recently associated with a major Canadian electrical firm, Mr. Robert will be responsible for the company's personnel and union relations. He holds an M.A. degree in Industrial Relations from the University of Montreal, and has done post-graduate work at Columbia University. In his new position, Mr. Robert will make his headquarters at Sylvania's Montreal office.

THE INVESTMENT FUNDS

Dom.-Scottish Investment Strengthens Its Holdings

Dominion-Scottish Investment Ltd., Toronto, changed its holdings at Dec. 31, 1957 from Dec. 31, 1956 as follows:

—Added nine bonds, one preferred stock and 18 common stocks

—Eliminated four bonds, 14 preferred stocks and 10 common stocks

Here are the portfolio changes in detail:

	Amount held at Dec. 31/57	Change since Dec. 31/56
Bonds:	$	$
Govt. of Canada 3%/59	200,000	+200,000
Abitibi P. & P. 4½%/66	....	—50,000
Algoma Cent. & Hudson B. 5%/59	50,000	+50,000
Cdn. Br. Alum. 5¾%/77	50,000	+50,000
Faraday Ur. M. 5½%/62	....	—70,000
Gt. Lakes Pow. 5¾%/77	50,000	+50,000
Home Oil 5¾%/71	50,000	+50,000
Ind. Accept. Crp. 5¾%/77	70,000	+70,000
Pembina P. L. 5%/74	35,000	+35,000
Shaw. Wat. & P. 5½%/72	50,000	+50,000
Traders Finance 5¾%/73	60,000	+60,000
Triad Oil 4¾%/71	....	—50,000
Geo. Weston 4¾%/71	....	—75,000
Preferred Stocks:	Shares	Shares
Ang.-Cdn. P.&P. $2.80 red.	....	—1,000
Bailey-Selburn Oil & Gas 5¾%/ red. conv.	3,000	+3,000
Biltmore Hats A	1,750	—25
B.C. Electric 5% red.	....	—1,000
Cdn. Celanese $1 75 red.	....	—700
Cdn. Oil Co. 5% red.	....	—500
Disher Steel Cons. $1.50 A	....	—1,680
Gt. Lakes Power 5% red.	....	—1,500
Int. Nickel Co. 7% red.	....	—500
Loblaw Groc. $1 50 A	....	—3,000
National Groc. $1.50 red.	....	—1,000
N. Que. Pow. 5½% 1 pf.	....	—1,000
Peoples Cr. Jlrs. 6% red.	....	—600
Permo Gas & Oil 4½% non-cum. red. conv.	6,300	—8,700
Steinberg's Ltd. 5¼% red.	....	—750
Supertest Pete. 5% red.	....	—350
United Fuel Inv. A	....	—500
Common Stocks:		
Bank of Montreal	1,750	+500
Can. Perm. Mtge. Corp.	....	—500
Cdn. Bank of Commerce	3,000	+500
Huron & Erie Mtge.	2,000	—1,000
Royal Bank of Can.	1,500	+100
Can Malting Co.	....	—500
Hiram Walker-G. & W.	3,000	—500
Cdn. Canners A	....	—2,500
Geo. Weston wts.	2,250	+2,250
Dom. Fdry. & Steel	3,000	+500
Fruehauf Trailer	1,173	+113
Page-Hersey Tubes	1,000	+1,000
Steel Co. of Can.	2,000	+250
Can. Cement Co.	1,000	+1,000
Int. Business Machines	....	—300
Minneapolis-Honeywell	1,000	+100
Modern Containers	....	—1,500
Moore Corp.	2,000	+775
Niagara Wire Weaving	850	—150
Do B	2,150	+2,150
A. V. Roe Canada	1,000	—1,000
G. Tamblyn	3,000	+1,500
Aluminium Ltd.	3,000	+2,000
Gunnar Mines	2,000	+1,000
Hollinger Consol.	2,000	+2,000
Kerr-Addison Gold	3,000	—100
B.A. Oil	1,000	+1,000
Central-Del Rio Oils	2,000	+2,000
Cons. West Pete	5,000	+5,000
Imperial Oil	1,000	+1,000
Louisiana Land & Exp.	1,000	+100
McColl-Frontenac Oil	1,500	+1,500
Producing Properties	....	—2,901
Standard Oil N.J.	1,100	+1,100
Texas Co.	2,040	+40
Colorado Interstate Gas	1,000	+1,000
El. Paso Nat. Gas	5,000	+3,000
Panhandle East Pipe Lines	1,000	+1,000
Tennessee Gas Trans.	2,000	+2,000
Westcoast Trans.	....	—2,000
B.C. Power	750	+750
Consumers' Gas	2,000	+2,000
Gatineau Power	3,000	—1,000
Int'l Power Co.	....	—300
Newfoundland L. & Power	1,200	+200
Power Corp. of Can.	1,200	+200
Shaw. Water & Power	3,000	+3,000
South. Can. Power	....	—1,000
Union Gas Co. of Can.	450	+450
Consol. Paper Corp.	3,000	—2,000
Gt. Lakes Paper	3,000	—500
MacLaren Power & Paper	1,000	—200
Powell River Co.	2,000	—500
Price Bros. Co.	3,000	—500
Br. Amer. Assurance	....	—700

Bank Staff Changes

Commerce:

J. R. McPHERSON, accountant, Market, Toronto, to be manager, Eglinton & Bayview, Leaside, Ont.

R. C. PERKINS, an assistant inspector, Regional Office, Montreal, to be manager of the newly opened branch at Ritz-Carlton Hotel, Montreal.

R. REMILLARD, assistant accountant, Asbestos, Que., to be accountant, Huntingdon, Que.

W. N. SCHAFER, formerly accountant, Port of Spain, Trinidad, to be an Organization Officer, Methods & Organization Dept., head office, Toronto.

K. M. STOBBE, assistant accountant, McLeod Building, Edmonton, to be accountant.

W. E. TOMAN, to be accountant, Ajax, Ont.

C. W. TUMMONDS, manager, Business Development Dept., Regional Office, Vancouver, to be manager, Nassau, Bahamas.

A. E. WESTLAKE, accountant, Ajax, Ont., to be an audit officer, head office, Toronto.

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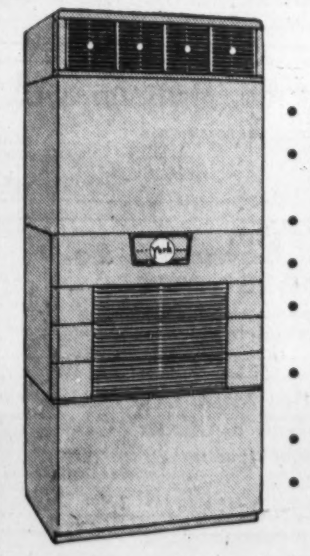

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"On one occasion recently we even had the cost of our full page advertisement paid for within 48 hours from orders received.

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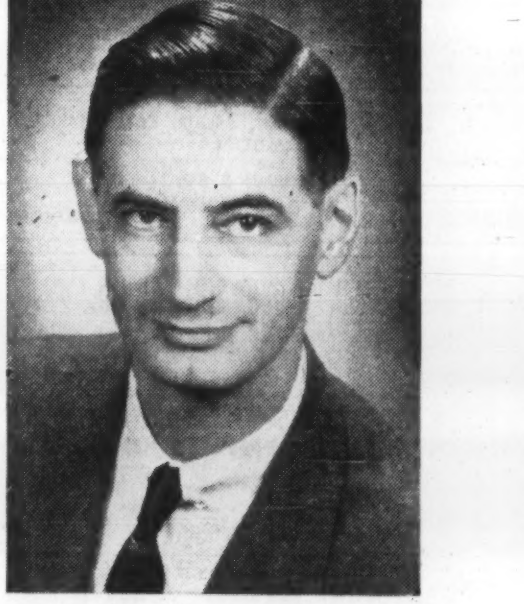

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To reach dealers consistently, with purpose and effect, campaign regularly in these leading merchandising papers, starting now!

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CANADIAN STATIONER
DRUG MERCHANDISING
HARDWARE AND METAL & ELECTRICAL DEALER
HOME GOODS RETAILING

MEN'S WEAR
PAINTING AND DECORATING
PHOTO TRADE
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Our Complaints To Be Reviewed

U. S. Congress to talk friendship and trade relations . . .

From Our Own Correspondent

WASHINGTON — A badly needed education on Canada will be given to Congress soon —probably after the election.

The Senate Foreign Relations Committee has included Canada as Item Number 12 in a full-scale review of U.S. foreign policy.

This is the first time the U.S. Congress has made an over-all examination of relations with Canada.

"Other times, various committees have been chasing the big bad men in the Canadian newsprint industry, or the big bad men in the Canadian stock business," says one high official here.

"This time, it's an exercise in enlightenment about Canada."

What will the senators talk about? The senators on the committee are not at all sure; they have heard some reports of Canadian criticism of various U.S. policies and want to find out if U.S. has been acting unkindly to its northern neighbor and if so, why.

It is understood the idea for such a review was in part started by Canadian newsmen talking to committee members.

Senator Mike Mansfield, who specifically asked for inclusion of Canada in the foreign policy review, says he wants to be good friends with Canada.

While Senator Mansfield wants to be friends with Canada, he wants very much to have restrictions on lead and zinc imports because he feels they are putting miners out of work in his home state.

Friends But . . .

The New England senators want to be friends with Canada, although at the same time, they want restrictions on Canadian fish imports.

The western senators want to be friends with Canada, although at the same time, they want restrictions on oil imports.

The farm belt senators want to be friends with Canada, but they want to expand the farm surplus give-away programs which have so worried Canada.

The mining state senators want to be our good friends, although at the same time, they want to restrict mineral imports.

Many Atlantic and Gulf coast senators want to be friends with Canada, although they want high tolls on the St. Lawrence Seaway.

These contradictions will be exposed during the two or three day hearings on Canada. What, if anything, will be done, is another question.

But at least the senators will be shown that while they want to be good friends with Canada, their own positions on many subjects endanger that friendship.

In addition, the senators will hear about Canada's over-all trade imbalance with U.S., practices of U.S. companies with subsidiaries in Canada, U.S. capital investment in Canada, surplus disposal operations, the Columbia River, smouldering differences between Washington and Ottawa on such matters as cold war politics, a summit meeting and trade.

The Arctic, which is fast becoming the key to the defense of North America in this ballistic age, also will come in for discussion.

Glib Talk

Many in Washington talk glibly about our "Arctic," ignoring the fact that Canada has a measure of interest too.

Highlighting the testimony before the senate committee will be a statement by U.S. Ambassador to Canada, Livingstone Merchant.

His Hamilton, Ont. speech in defense of U.S. dealings with Canada is expected to provide the backbone of his statement, although he also likely will detail for the senators some of the more vivid Canadian complaints.

Canada's greatest problem in dealing with U.S. always has been more with Congress than with the Administration, although sometimes the Administration has not hesitated to hide behind the skirts of feared Congressional feelings.

It is Congress that wants bigger and bigger farm surplus disposal operations, more restrictions on lead and zinc imports, restrictions on oil imports, no trade with Mainland China, restrictions on fish imports and curbs on a host of other Canadian products, ranging from hardboard to copper. Consequently, an education on Canada is badly needed in Congress.

It is doubtful, however, whether the education will be lasting or will sink very deeply into the Congressman's mind.

That is, unless it is followed up and we continue to press our point with the U.S. in one way or another.

If Talk Fails

Failing this, Senator Mansfield will be stronger than ever in his determination to be good friends with Canada, although he still will want restrictions on lead and zinc imports.

While the New England senators will be even friendlier with Canada, they still will want fish import restrictions.

While the mining state senators will see the great value of close ties with Canada, they still will want restrictions on minerals.

While Canada will seem like an even better friend, the western senators will still want oil import curbs.

While the farm belt senators will find Canada the staunchest ally the U.S. has, they still will want bigger and bigger farm surplus give-away programs.

While the Atlantic and Gulf coast senators will see in Canada their greatest friend, most of them still will want higher St. Lawrence Seaway tolls.

There is no question, however, that the meeting will wind up with a ringing demand that something has got to be done to better relations between Canada and U.S.

"Repair some of the fences that appear to be building up between our two countries," as Senator Mansfield says.

Despite all this, however, the Senate study of relations with Canada may not be an exercise in futility. The senators will have it made clear to them that Canada is unhappy.

Although no tariffs will be lowered or import restrictions dumped, the education on Canada will at least put some of the senators in a more receptive frame of mind when Canada has future problems with U.S.

Even getting them to listen is a major accomplishment and the first step to getting action.

'Free Traders' Are Giving U.S. Protectionists a Fight

From Our Own Correspondent

WASHINGTON—The infighting has begun on the president's trade program.

The "freer traders" have done better this past week as the protectionists have been just holding their own.

House Ways and Means Committee Chairman Wilbur Mills has made it clear both in front of and behind the scenes that he will not let the protectionists get away with murder.

This is not to say, however, that the trade program has clear sailing. Far from it. It only means that the protectionists have stopped gaining ground, at least for the time being, as the "freer traders" fight back.

There still is not a chance in the world that the president will get his request for a five-year renewal of the Reciprocal Trade Agreements Act and permission to cut tariff rates by 5% a year for each of the five years.

He will be lucky to get a two- or three-year renewal with authority to cut tariffs by 5% in each of the years. As of now, this is the most optimistic forecast.

The big fight going on now in Washington is back stage.

It revolves around this one point:

Ways and Means Committee Chairman Mills is demanding that when the bill gets out of his committee and onto the floor of the House, he does not want any amendments allowed from the floor of the House.

He wants it to be presented on a take-it-or-leave-it basis.

The protectionists are fighting him every inch of the way.

In consequence of Mills' line of action, he therefore wants to at least half-way satisfy the protectionists right in his own committee.

Exact Position

Therefore he is pressing the administration to let him know exactly where they would be willing to give in. He knows five years and a 5% a year cut in tariffs is impossible.

His first lure is a three-year renewal at 5% a year in cuts. So far, the administration has not taken the bait.

The White House and State Department are waiting to see how strong the protectionist feeling is.

The truth is, they would leap at such an offer as Mills is making if they thought it would stick. However, the administration wants to give in only once, not a number of times, in making compromises.

Therefore it wants to be as certain as it can be that the White House counter-offer will be accepted.

The die-hard protectionists are flatly demanding that the president surrender his tariff-making powers to Congress. They want to have the Tariff Commission report to Congress not to the president.

This, of course, would lead to tariff rates that would make Messrs. Smoot and Hawley look like pikers.

In addition, or in substitution, these die-hard protectionists want a host of import quotas written into the law covering everything from oil to potatoes, from seed wheat to natural gas.

The administration and Chairman Mills are dead-set against allowing individual commodity amendments to be tacked onto the law. This, they fear, would simply open the flood gates.

Agree on Quota

There now seems to be just a possibility, however, that, if forced by overwhelming protectionist pressure, the "freer traders" might reluctantly go along with a quota on oil imports.

If it were faced with a choice of either this or no trade law at all, the administration also might go along after efforts to dissuade Congress.

It is believed here, however, that the administration would never go along with the demands of the die-hard protectionists to shift the tariff-making powers to Congress.

It is thought that the president might well prefer no trade extension at all, to the surrender of this most precious of executive prerogatives. And so far as Canada is concerned, this probably would be the best of a bad bargain.

When the members of the U. S. Tariff Commission were questioned on this point, all but the chairman enthusiastically agreed they liked it better as it is now; i.e. reporting to the president.

The chairman thought he could get along quite well either reporting to the president or congress.

After the commission members made their statements, the protectionists got busy and there came a "clarification" in which the commission members indicated they were certainly not opposed to reporting to congress.

Company Reports

Iron and Steel

WESTEEL PRODUCTS LTD., Winnipeg, net profit of $830,719 for 1957 was 24.6% lower than 1956's $1,102,160.

Sales were only slightly lower, but drop in profits was caused by a highly competitive market and continuing high costs, says President P. E. Fowle.

Costs of putting the new plant at Vancouver and Scarborough, Ont., into operation and re-arrangement of existing units added substantial non-recurring expenses and interfered with normal flow of production.

Net outlay of $1,427,000 for fixed assets virtually completed current expansion and modernization program. The last scheduled project, the Winnipeg extension, should be ready for occupancy in April.

The borrowing last May of $3 million on a long-term promissory note strengthened company's position.

Demand for goods slackened some during last quarter. The easy flow of raw materials from suppliers encouraged tighter control of stocks. Inventories were reduced by $1,471,000.

Union agreements at seven of its nine plants was concluded and wage increases for the two year agreements will range from 15c to 35c per hour.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
	$	$
Sales	24,054,535	24,324,688
Net earnings	2,115,224	2,428,138
Less: Deprec.	396,409	362,651
Income taxes	785,000	975,000
Note int.	103,096	......
Add: Profit on sale of assets, etc.	......	11,673
Net profit	830,719	1,102,160
Less: Divds. paid	566,854	566,853
Surplus for year	263,865	535,307
Earnings per Share and Dividend Record:		
Common	$1.76	$2.33
Paid	1.20	1.20
Shares o/s as at Dec. 31:		
Common, n.p.v.	472,604	472,604

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$683,034	......
Accts. rec. less res.	3,712,901	$3,905,821
Short-term notes	991,247	......
Inventories	4,200,191	5,671,634
Total curr. assets	9,587,373	9,577,455
Misc. assets•	86,798	69,800
Fixed assets*	4,687,240	3,656,524
Total assets	14,361,411	13,303,779
Bank o'draft	......	1,909,375
Accts., etc., pay.	1,205,446	1,051,879
Taxes pay.	495,450	726,708
Total curr. liab.	1,700,896	3,687,962
Note pay.	2,833,333	......
Capital stock	1,450,000	1,450,000
Contrib. surplus	500,000	500,000
Surplus	7,877,182	7,665,817
*After depr. of	5,361,780	5,032,178
•Included in curr. assets in co.'s report.		
Working capital	7,886,477	5,889,493

NAME CHANGED

Vancouver Iron Works Ltd. has changed its name to **Vancouver Iron & Engineering Works Ltd.**

Merchandising

G. TAMBLYN LTD., Toronto, consolidated net profit of $578,304 for 1957 was 22% higher than 1956's $474,290.

Sales and earnings were a record says Chairman H. G. Browne. Prescriptions dispensed were also a record.

The modern "self-serve" method of merchandising was given test in many newer branches and has proved a success, company says.

Four new branches were opened in Ontario at Dufferin Plaza, Toronto; Kingston, Sudbury and Port Arthur-Fort William. **Tamblyn (Western) Ltd.** opened a branch in Lethbridge, Alta. All are developing favorably, company says.

Five stores were closed or otherwise disposed of, two of these being in the western group.

A number of older stores were renovated, and this policy will be continued until all branches have been modernized.

Expansion in both the Eastern area and in Western Canada is being anticipated, with some leases already signed and others in process of negotiation.

At Dec. 31, 1957, 129 stores were in operation, 20 units located in shopping plazas.

Company's common shares were subdivided in June, 1957, on a 2-for-one basis.

Staff now numbers 889.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
	$	$
Sales	16,866,406	15,817,471
Net earnings	1,418,600	1,214,889
Less: Deprec., etc.	329,280	333,438
Inc. tax res.	470,000	365,080
Interest	41,016	42,081
Net profit	578,304	474,290
Less: Pref. divds.	20,000	20,000
Common divds.	283,244	269,081
Surplus for year	275,060	185,209

Note — Company shows net profit of $571,565 in 1957 and $471,319 in 1956, including loss on disposal of assets.

Earnings per Share and Dividend Record:	1957	1956
Preferred	$57.83	$47.43
Paid	2.00	2.00
Common	......	3.21
Paid	0.60	1.20+0.70
New common	*1.97	....
Paid	0.30+0.40	....
*Stk. split 2-for-1, June 1957.		
Shares o/s at Dec. 31:		
4% pref. $50 par	10,000	10,000
Common n.p.v.	....	141,622
New com. n.p.v.	283,244	....

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$356,950	$800,566
Accts. rec.	147,649	160,536
Inventories	4,275,457	3,698,206
Total curr. assets	4,780,056	4,659,308
Misc. assets	139,304	137,106
Fixed assets*	2,487,944	2,163,112
Total assets	7,407,304	6,959,528
Bank loan	......	10,194
Accts., etc., pay.	1,543,108	1,345,542
Taxes payable	262,589	212,818
Total curr. liab.	1,805,697	1,568,554
Mtges.	69,801	77,486
Funded debt	850,000	900,000
Capital stock	1,564,190	1,564,190
Capital surplus	138,733	138,733
Earned surplus	2,978,883	2,710,563
*After depr. of	1,944,498	1,761,694
Working capital	2,974,359	3,090,754

Paper

CONSOLIDATED PAPER CORP., Montreal, consolidated net profit of $12,686,892 for 1957 was 17% lower than 1956's $15,280,969.

In 1957, for the first time in years, supply of newsprint exceeded demand say Chairman L. J. Belnap and President G. M. Hobart. Sales were 786,436 tons (830,866 tons in 1956).

Demand for kraft papers remained steady.

Total sales before loss on exchange amounted to $106.4 million ($111.1 million).

Earnings were adversely affected by higher discount on U. S. dollars, lower sales and higher cost of materials, transportation and wages.

Capital expenditures were a record $9,526,576 ($7,238,465).

The high yield sulphite plant at Belgo division was completed and is in operation, resulting in reduction in wood consumption and cost

Modernization of the kraft mill at Wayagamack was completed. This included rebuilding a kraft paper machine and has resulted in increased capacity, greater efficiency and lower cost.

Fixed assets amounting to $1,343,033 were written off.

The research and development department moved into new quarters at Grand'mere.

Outlook for 1958 is satisfactory with indications that demand for kraft paper and other products will remain steady, say the chairman and president.

Annual meeting is April 24.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
	$	$
Sales	106,456,100	111,130,475
Net earnings	29,561,665	33,609,795
Less: Depr. & depl.	4,900,087	4,335,209
Income taxes	12,000,000	14,000,000
Add: Sec. prof.	25,314	6,383
Net profit	12,686,892	15,280,969
Less: Divds.	10,265,119	10,265,119
Surplus for year	2,421,773	5,015,850
Earnings per Share and Dividend Record:		
Com.: Earned	$2.47	$2.98
Paid	1.60+0.40	1.45+0.55
Shares o/s as at Dec. 31:		
Common, n.p.v.	5,132,664	5,132,578

CONDENSED BALANCE SHEET•

As at Dec. 31:	1957	1956
Cash	$5,463,700	$7,757,579
Invest. sec.†	13,615,162	16,973,475
Accts. & bills rec.	9,836,104	11,248,383
Inventories	45,063,982	43,892,695
Total curr. assets	73,981,948	79,872,132
Misc. assets	830,573	1,004,102
Adv. payt.	46,791	766,545
Fixed assets*	37,892,070	33,331,139
Total assets	112,751,382	114,973,918
Accts. & tax. pay.	14,460,936	19,321,888
Divds. pay.	4,195,940	4,193,035
Total curr. liab.	18,656,876	23,514,923
Property res.	17,963,474	16,533,462
Conting., etc., res.		1,416,824
Bond int.	4,258	4,728
Capital stock	5,142,270	5,141,797
Surplus	70,984,507	68,362,084
*After depr. of	88,627,967	85,006,345
†Market value	13,325,787	16,218,412
Working capital	55,325,072	56,357,209

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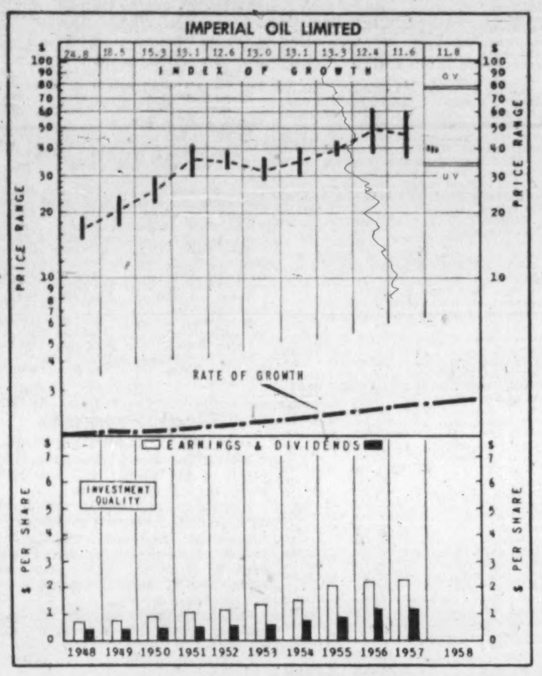
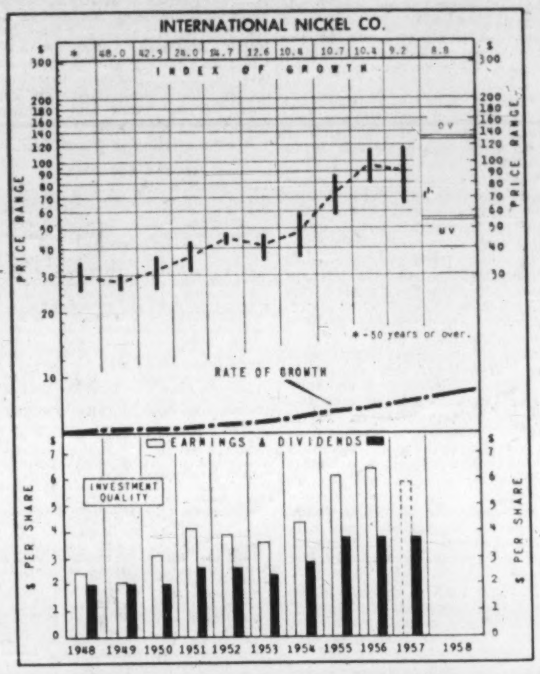
Selected Growth Stocks

— Quarterly Report —

By NESTOR

This is an exclusive FP series on Selected Growth Stocks chosen by one of the continent's most prominent and successful investment advisers. The reasons for choice are shown below the comment on current operations. Each company will be reviewed here quarterly. This series in FP does not constitute a recommendation to buy these stocks.





Imperial Oil

Imperial Oil, trading at recent $39⅛, is 15.1% above UV level ($34), has room to rise 94.2% before reaching OV level ($76). Price is 17.08 times 1957 earnings of $2.29 per share. Yield is 3.07% at indicated annual dividend rate of $1.20 per share. Price in 1958 has ranged between a high of $41¼ and a low of $38½. (1957 range: $60—$35½).

On the basis of current conditions, the under-valuation level has been lowered from $36 to $34 and the over-valuation level from $82 to $76.

Net earnings for 1957 were up 4.2% on 1956. The total is estimated at $72 million compared with $69.1 million the previous year.

A breakdown of 1957 earnings quarter by quarter shows the full extent of the fourth quarter decline.

Earnings in the first quarter were $21.6 million compared with $19.2 million in 1956. Second quarter was $16.1 million compared with $14.5 million. Third quarter, $20.7 million versus $17.4 million. Fourth quarter, $13.6 million compared with $18 million.

At the end of nine months, the company's earnings were 14.2% ahead of the previous year. The final quarter fall-off, amounting to 25.4%, reduced the full year's results to a 4.2% gain.

Net crude oil production during 1957 was 95,410 bbl. per day, down from 102,956 b/d in 1956. Crude oil processed at refineries averaged 267,032 b/d for 1957 compared with 275,170 b/d in 1956.

Motor gasoline sales for the full year increased to 93,800 b/d compared with 89,500 b/d in 1956.

A high rate of activity in all phases of the company's operation is planned for 1958. Projected outlays to find and develop oil and for new plant and equipment have been reported as approximately $133 million.

Just under half this sum will be spent on an exploration and development program which extends across Canada coast to coast. The balance will go for construction at refineries, for petrochemical projects at Sarnia and for improvements in marketing facilities, the company reports.

Imperial has entered into a seven-year sublease agreement with **New Brunswick Oilfields Ltd.** to explore for gas and oil on one million acres of the company's crown leases in the Maritimes.

Nestor's Original Reasons for Choice

IMPERIAL OIL — Imperial's outstanding record for oil discovery in Western Canada, its large reserves, and its continuing exploration and expansion program promise, along with the continually growing demand for petroleum products, to maintain the company's position as Canada's largest and most fully integrated oil company. Last year's profit was nearly double the 1951 net.

International Nickel

International Nickel Co. of Canada, trading at recent $73⅜, is 33.4% above UV level ($55), has room to rise 70.3% before reaching OV level ($125). Price is 12.44 times 1957 earnings of $5.90 per share. Yield is 5.1% at indicated annual dividend rate of $3.75 per share. Price in 1958 has ranged between a high of $77½ and a low of $69½. (1957 range: $111—$63¾).

On the basis of current conditions, the under-valuation level has been lowered from $62 to $55 and the over-valuation level lowered from $140 to $125.

Net profit in 1957 was $86,141,000 equal to $5.90 per share, down about 10% from earnings of $96,296,000 equal to $6.50 a share in 1956. (Dollar figures in U.S. funds.)

Company delivered 290,050,000 lb. nickel and 280,810,000 lb. copper in the year, both higher than the previous year.

The sharp copper price decline, reduced sales of platinum metals, lower prices for platinum and an 11-week strike at the Huntington, West Virginia, plant all adversely affected 1957 earnings, according to Chairman John F. Thompson and President Henry S. Wingate.

These factors and continuing cost increases were partially offset by larger nickel and copper sales, plus the higher nickel price that went into effect in late-1956.

Inco, which has been emphasizing the growing nickel supply, underlined the new market condition this week by announcing a 10% cutback in production at the Sudbury mines.

Nickel supply, after defense needs, exceeded civilian demand in the latter half last year for the first time since the Korean War began in 1950.

A still larger supply is in sight for 1958 and "even more abundant supplies" can be anticipated because of increasing free world producing capacity, Thompson and Wingate point out.

Inco has put into effect its previously-developed plan to sell nickel under conditions of abundant supply. This program includes intensified sales, research and promotion activities designed to develop bigger nickel and nickel-alloy markets.

Development is being pushed ahead in northern Manitoba where the Thompson mine initially will provide the entire scheduled output of 75 million lb. from this project.

Nestor's Original Reasons for Choice

INTERNATIONAL NICKEL — Company produces more than 60% of the free world's nickel output. Development of properties in Manitoba should assure maintenance of this rate and, along with other expansion, will increase mining capacity by 35%. Uses for nickel are expected to widen substantially when additional supplies are available, suggesting long-range upward trend in this company's profits.

How to Read Nestor's Special Stock Charts

INDEX OF GROWTH: The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. A figure of 5.6 for the present year would indicate that at its current growth rate the equity value is doubling every 5.6 years.

PRICE RANGE: The annual high, low and mean price. Monthly ranges for the current year.

UNDERVALUATION AND OVERVALUATION PRICE LEVELS: Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjusted as underestimating or overestimating its future rate of growth. A stock showing a fast growth rate will sometimes anticipate growth by two or three years. In this case it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality will also enter into the comparison an investor will want to make.

Without these UV and OV levels a current quotation of say, 55 or 75 would carry no significance regarding long-range value. The UV/OV levels also permit judgment as between one stock and another. They are not designated points of purchase or sale nor do they attempt to show what will be a stock's bottom or top figures in any given year.

RATE OF GROWTH: The rate as based on Nestor's tests at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years and in most instances the trend of dividend payments.

•Background and principles behind the selection by Nestor were discussed in a special article in FP, Jan. 10, 1953. A limited number of reprints are available on request.

Company Reports

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies published reports are footnoted.

Mining

DOMINION MAGNESIUM LTD. consolidated net profit of $342,636 for 1957 was 44.5% lower than the $617,960 earned in 1956.

Production of magnesium crowns was a record, says President R. J. Jowsey. Magnesium sales were down due to unexpected cutbacks in export markets.

Calcium production remained at a low level, but production and sales of thorium sintered pellets and thorium master alloy increased substantially.

Production of zirconium metal increased due mainly to requirements of a new European customer.

Further research work was carried out on the production of lithium metal, titanium alloy powders and ductile titanium metals.

Light Alloys Ltd. operated on a single shift basis. The main production was castings for aircraft engines. Total sales were down 20% with a 23% reduction in pounds of castings produced.

Electro-Reagents (Quebec) Ltd. production and sales were unchanged. An addition to the office was completed and equipment installed for weighing and boxing finely ground ferrosilicon for the trade.

Aerometal Products & Design Ltd. sales increased slightly. In mid-November the operation moved to its new plant.

Financing arrangements for the **Alabama Metallurgical Corp.** magnesium production plant in Selma, Alabama, have not yet been completed.

Outlook at present for sales is somewhat clouded company says.

CONS. INCOME ACCOUNT Years Ended Dec. 31:	1957	1956
Oper. profit	$901,436	$1,381,211
Add: Invest. inc.	52,969	32,605
Less: Depr.	360,370	370,526
Mtge. int.	20,941	26,462
Pat. exp. amort.	12,988	13,658
Tax prov.	217,470	385,210
Net profit	‡342,636	617,960
Less: Dividends	236,205	......
Surplus for year	106,431	617,960

Note—The co. is claiming for tax purposes deprec. in excess of amount shown in the accounts and, as a result, $27,569 tax has been deferred in 1956 and $52,383 in 1957.

	1957	1956
Earned per Share	$0.72	$1.31
Paid	0.50	nil

‡Co.'s report shows net profit amounting to $350,363 including $7,727 profit on sale of securities and fixed assets.

	1957	1956
Shares o/s at Dec. 31	476,270	472,260

CONDENSED CONS. BALANCE SHEET As at Dec. 31:	1957	1956
Cash	$388,777	$631,099
Investments	650,632	1,301,575
Accts. rec., less res.	624,555	1,342,262
Inventories	2,907,529	1,953,695
Total curr. assets	4,571,493	5,228,631
Prep. exps.§	54,373	54,768
Deferred expense	43,093	35,102
Interest in other co.	128,882	......
Properties (cost)	87,448	52,249
Plant & equip.†	2,415,626	2,130,645
Patents less w/o	58,312	64,856
Other assets	......	8,447
Total assets	7,359,227	7,574,698
Accts., etc., pay.	799,544	866,646
Taxes pay.	14,307	185,783
Repairs res.‡	276,472	303,696
Total curr. liab.	1,090,323	1,356,125
Def. tax red.	115,808	63,426
Mortgages pay.	403,521	563,841
Capital stock	3,203,045	3,158,935
Surplus	2,546,529	2,432,371
†After depr. of	3,921,371	3,582,367

§Included in curr. assets in co.'s report.
‡Not incl. in curr. liabs. in co.'s report.

	1957	1956
Working capital	3,481,170	3,872,506

Financial

WESTERN TRUST CO., Winnipeg, net profit of $61,861 for 1957 was 9.2% higher than 1956's $56,625.

	1957	1956
Liabs. to public, etc.*	$95,048	$24,574
Sh'holders' equity	1,682,615	1,694,647
*Secured by:		
Mtges.	459,530	506,942
Office premises, furn., etc.	109,135	65,881
Liquid assets♦	1,208,998	1,146,398
Total	1,777,663	1,719,221
♦Incl. bonds and stocks.		
Estates account	6,001,626	5,366,433
Net profit	61,861	56,625
Earnings per share	$6.16	$5.63
Paid	4.00	4.00

Steel

CANADIAN DRAWN STEEL CO., Hamilton, Ont., net profit of $391,252 for 1957 was 17.9% higher than 1956's $331,936.

Tonnage was a record, says President Ralph Biggar. Result is satisfactory in view of leveling off in general business, especially in the steel industry where drop was substantial.

Company anticipates a reasonably good 1958 with some reduction in total tonnage.

Principal reason for company's favorable showing was the increased inventory of raw and finished material carried during year. Customers are operating on reduced inventories and require prompt, accurate delivery promises. Company's increased inventories helped meet these requirements.

Production facilities have never operated on a three shift basis. They are capable of producing a substantial increase in tonnage, if additional storage space is provided.

Plans are being drawn up for a new plant on its new location. When business warrants, company plans to erect a portion of the new plant consisting of a rough stock room.

INCOME ACCOUNT Years Ended Dec. 31:	1957	1956
Net earnings	$780,369	$666,098
Less: Deprec.	26,918	30,322
Income taxes	362,199	296,056
Reorgan. expense	......	7,784
Net profit	391,252	331,936
Less: Pref. divds.	112,358	39,917
Common divds.	66,528	59,136
Surplus for year	212,366	232,883

Note—Co.'s reports show net profit of $332,292 in 1956, $391,343 in 1957, incl. prof. on sale of assets.

Earnings per Share and Dividend Record:	1957	1956
Pref.: Earned	$2.65	$2.25
Paid	0.60+*0.16	0.15+*0.12
Com.: Earned	1.89	1.98
Paid	0.45	0.40+♦stk.

♦One 3% noncum. red. pf. sh. for each common sh. held; redeemed.
*Part. divd. payable April following.

Shares o/s as at Dec. 31:	1957	1956
Preferred, n.p.v.	147,840	147,840
Common, n.p.v.	147,840	147,840

CONDENSED BALANCE SHEET As at Dec. 31:	1957	1956
Cash	$248,612	$47,486
Govt. bonds at cost†	110,300	112,295
Accts. rec., less res.	417,575	472,268
Inventories	756,655	726,447
Life insur., c.s.v.	20,680	17,001
Total curr. assets	1,553,822	1,375,497
Prepaid expenses	7,239	7,832
Fixed assets‡	192,555	204,188
Total assets	1,753,616	1,587,517
Total curr. liabs.	391,710	438,068
Capital stock	246,400	246,400
Tax-paid surplus	236	236
Earned surplus	1,115,270	902,813
†Market value	109,243	108,084
‡After depr. res. of	1,208,644	1,188,985

§Included in curr. assets in co.'s report.

	1957	1956
Working capital	1,162,112	937,429

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Company Reports

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Pulp and Paper

BATHURST POWER & PAPER CO., Bathurst, N.B., consolidated net profit of $1,543,172 for 1957 was 49.3% less than 1956's $3,043,752.

Sales decreased below the 1956 record levels in both physical quantity and dollar volume, says President R. L. Weldon.

Surplus capacity exists in the paper board and shipping containers industry in both Canada and the U. S.

Wage rates, cost of materials and supplies and freight charges continued to rise, while manufacturing costs were higher through lower production.

Customers continued to reduce their inventories of paper boards and shipping containers, and order their requirements in smaller quantities and at more frequent intervals. This trend together with greater pressure from customers for immediate delivery increased cost of processing orders and of manufacturing and delivering finished goods.

Sales of container boards were appreciably lower. New capacity to produce container boards and integration with outlets for manufacture of corrugated boxes, shifted demand of certain customers from one supplier to the other. Customers reduced inventories of container boards. Both sales and volume were cut.

Increasing use of lighter-weight boards in corrugated boxes contributed to decrease in both tonnage sold and tonnage used by container plants.

Through most of year world demand for unbleached sulphite pulp was depressed and sales were much lower. Sales of boxboards were down slightly.

Sales of both corrugated and wood products were slightly less, reflecting both participation of additional productive capacity and increasing competition.

Here are output totals (1956 in brackets): Container boards 91,485 tons (117,918); pulp for sale 8,548 tons (15,008); boxboards 24,835 tons (25,623); container boards converted 86,218 tons (92,960); lumber and veneer used 12,493,186 bd. ft. (15,294,242).

Work on the mills division progressed at a slower pace than anticipated and completion in July, 1958 is anticipated. In the container division, addition of machinery and equipment was completed. No additional major projects were undertaken.

New labor agreements were entered into which provided higher rates of pay and other benefits.

There were no significant price changes.

Annual meeting is March 24.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
	$	$
Net sales	34,390,229	37,116,355
Net earnings	5,250,188	7,728,742
Less: Deprec.	1,526,357	♠1,430,923
Depletion	82,882	94,480
Bd. & debent. int.	396,809	415,619
Amort bd. disct. & exp.	19,968	19,968
Inc. tax res.	1,681,000	2,724,000
Net profit	1,543,172	3,043,752
Less: Cl. A divds.	1,200,000	1,400,000
Cl. B divds.	325,000	487,500
Surplus for year	18,172	1,156,252

♠Not including amt. chgd. to operations.

Times Bond & Debent. Interest Earned:		
Before deprec. & depl.	13.23	18.60
After deprec. & depl.	9.16	14.93
Earnings per Share and Dividend Record:		
Cl. A:		
Before part.	$3.86	*$7.61
After part.	3.03	*4.00
Pd. & payable	3.00	3.00 + 0.50
Cl. B:		
After part.	1.03	4.44
Pd. & payable	1.00	1.50

*Maximum available under participation.

Shs. o/s at Dec. 31:		
Class A	400,000	400,000
Class B	325,000	325,000

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$612,662	$1,175,088
Accts. res. less res.	3,465,680	3,631,487
Investments♠	2,394,608	1,996,436
Inventories	9,102,077	8,921,508
Expend. log. oper.	1,710,051	2,817,809
Total curr. assets	17,285,078	18,542,328
Inv. & adv.	43,700	44,200
Misc. assets	588,117	730,926
Fixed assets■	24,123,331	24,428,991
Total assets	42,040,226	43,746,445
Accts., etc., pay.	4,333,977	5,435,216
Income taxes	1,099,781	1,388,391
Debent. mat. 1 yr.	58,000	50,000
Total curr. liab.	5,491,758	6,873,607
Invent. res.	1,420,180	1,198,722
Funded debt	7,700,500	8,264,500
Capital stock	15,365,000	15,365,000
Surplus	12,062,788	12,044,616
♠Market value	2,364,000	1,907,900
■After depr. & depl.	18,886,989	17,465,639
Working capital	11,793,320	11,668,721

Iron and Steel

DOMINION FOUNDRIES & STEEL LTD., Hamilton, net profit of $8,428,278 for 1957 was 7% higher than 1956's $7,876,336.

While 1957 was a difficult year, operating results fully demonstrated the value of new equipment installed during the past several years say Chairman F. A. Sherman and President F. A. Loosley.

Sales of cold rolled products were lower, being adversely affected by reduced construction of new homes and slackness in the appliance industry. The hot mill operated at a satisfactory rate with increased sales of hot rolled products.

Foundry operations were close to capacity for first half of year, but fell off somewhat in the last half due to curtailment of the railroad freight car building program.

Operating profit before depreciation was a record, resulting largely from operating economies and to some extent from sale of pig iron in export markets, and favorable discounts on U. S. funds used to pay for American purchases.

Despite higher prices for many raw materials and a general labor increase in April, selling prices of company's products were increased only moderately. Company's selling prices are closer to U. S. mill prices than ever before.

Early in 1957 shareholders were offered the right to subscribe to 290,400 shares of common stock at $20 per share. The $5,808,000 raised was used for general corporate purposes and addition to working capital.

In 1957 company purchased and cancelled 8,237 outstanding preferred shares.

Total capital expenditures for 1957 were $13,470,153.

The major unit brought into production in 1957 was a new hot mill which commenced operation in May. This new breakdown mill has increased production of the hot rolling department.

Under construction are an additional 45 coke ovens which should be in operation by now. These will eliminate the necessity of company purchasing higher cost coke for full production of blast furnaces.

At year end the company owed approximately $4.5 million for new equipment, all under construction. Included are two new boilers and new boiler house at its bay front property. These will furnish extra steam required for new coke ovens, more stand-by steam for blast furnace blowers, as well as steam for **North American Cyanamid Ltd.** when their plant goes into operation late in 1958. Company will also supply North American with gas from its coke ovens and nitrogen from its oxygen plant.

Annual meeting is March 21.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Net profit*	$8,428,278	$7,876,336
Less: Pref. divds.	301,949	327,796
Com. divds.	3,121,800	2,468,400
Surplus for year	5,001,529	5,080,140
*After all charges including:		
Deprec.	5,590,681	4,202,017
Bd. note int.	6,069,575	967,108
Tax provision	8,600,000	7,275,000
Empl. fund	1,920,602	1,668,155
Earnings per Share and Dividend Record:		
Pref.: Earned	$133.31	$110.22
Paid	4.50	4.50
Com.: Earned	2.54	2.60
Paid	1.00	0.85
Shares o/s as at Dec. 31:		
4½% Pf., $100 par	63,223	71,460
Common, n.p.v.	3,194,400	2,904,000

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$7,637,397	$2,172,492
Accts. rec. less res.	7,880,470	9,094,690
Inventories	20,385,547	19,858,292
Total curr. assets	35,903,414	31,125,474
Fixed assets*	82,278,065	74,398,593
Other assets	423,428	457,602
Total assets	118,604,907	105,981,669
Accts., etc., pay.	7,716,718	9,707,580
Debent. instal. due	300,000	......
Taxes payable	3,886,113	1,960,064
Total curr. liab.	11,902,831	11,667,644
Accum. tax red.‡	20,465,000	18,015,000
Prov. for relining furnaces	668,777	366,955
Funded debt	24,795,000	25,095,000
Capital stock	30,120,939	25,136,639
Surplus	30,632,360	25,700,431
*After depr. of	42,865,049	38,515,985
Working capital	24,000,583	19,457,830

‡Tax reductions realized by claiming additional depreciation.

Steel

ALGOMA STEEL CORP., Sault Ste. Marie, Ont., consolidated net profit of $14,178,296 for 1957 was 9.8% lower than 1956's $15,714,393.

First half of year was a record, but in second half business dropped below same period in 1956, says President D. S. Holbrook.

Sales volume was equal to 1956, but charges for construction, higher depreciation and higher tax rates cut net profit.

An amount of $1,692,476 non-recurring moving expenses were deducted before profit shown.

Working capital and cash declined due to capital and mine developments expenditures of $25.8 million. Inventories increased $4.2 million, mostly due to stocking pig iron to provide for sales during relining and enlargement of No. 6 blast furnace at Sault Ste. Marie and relining No. 1 furnace at Port Colborne.

Company paid its first dividend on common shares since its incorporation in 1934.

Number of directors was increased from 11 to 12.

By supplementary letters patent, company decreased its capital from 4 million common shares to 3,774,970 shares by cancellation of 225,030 shares formerly owned by subsidiaries. Ownership of these shares by subsidiaries no longer served any useful purpose and resulted in financial, legal and tax complications, company says.

Expansion expenditures were financed with funds generated through operations, but company intends to borrow as needed under $17.5 million special credit arranged in 1957 and available until mid-1959. Extent of this borrowing, or of other financing which may be considered advisable, will depend largely on business conditions.

Remaining shares were subdivided four-for-one.

Company adopted a restricted stock option plan for key employees, and reserved 150,000 unissued shares of Algoma. Options terminating in 1967 were granted under plan in respect of 92,000 shares at $17.80 per share. No shares were purchased or issued under the plan in 1957.

Company decided not to renew bus franchise in Sault Ste. Marie which expired in 1956. City paid appraised value for the system.

All Algoma's shares in **Two Cities Transit Co.**, a small wholly owned subsidiary, were sold. This subsidiary operated an airport limousine service.

Output for 1957 was about 90% of capacity somewhat lower than 1956. Lower volume and increased labor and raw material costs were partially offset by operational improvements and better raw materials available.

Production of Algoma Sinter from the Helen and Victoria mines at Jamestown was up.

Production at the Cannelton and Lake Superior coal mines amounted to 1,248,912 tons.

Sales of heavy structural sections, rails and rail fastenings remained strong throughout year, sales of grinding balls increased, and sales of tube rounds improved. The trend toward sales of highly finished steel products continued.

A weakening was experienced in the export and domestic markets for pig iron.

Major construction and development programs were carried out at the steelworks at Sault Ste. Marie and the iron ore properties at Jamestown. Improvements include coke oven battery (mostly completed) which will boost coke producing capacity to 1,458,000 tons a year; new facilities to raise iron capacity to 1.5 million tons a year. New oxygen steel plant will be ready latter part of 1958 to raise steel ingot capacity by one third, and new 250,000 sq. ft. blooming and plate mill is under construction.

Jamestown sintering capacity was raised by 500,000 gross tons to 2 million gross tons per year.

About 1.4 million gross tons of bank waste was removed at the Sir James mine, and production is expected to start in 1958.

The exploration of over 1 million acres in the northern part of the District of Algoma started in 1956 was continued.

Under labor agreements an increase of 8c per hour became effective Aug. 1, 1957, with proportionate increases to higher skilled employees. In the coal companies an increase of 80c per day became effective April 1, 1957.

Revised pension plans were put into effect.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
	$	$
Net sales	142,479,951	142,438,979
Net earnings	33,557,802	33,839,674
Less: Loan int.	376,888	396,745
Other int.	88,345	14,843
Depreciation	6,486,880	5,305,351
Dev. chgs. to mining	1,152,588	984,735
Income taxes†	11,274,805	11,423,607
Net profit	14,178,296	15,714,393
Less: Divds.	5,703,080	......
Surplus for year	8,475,216	15,714,393

†Includes $2,937,900 in 1956 and $1,868,400 in 1957 deferred taxes resulting from claiming for tax purposes depreciation in excess of amount recorded in the accounts.

Earnings per Share and Dividend Record:		
Common♠	....	$11.02
Paid	*$2.00	nil
New common‡	2.49	....
Paid	†0.50	....

‡Following cancellation of 225,030 shs. formerly owned by subsidiaries and 4-for-1 stk. split.
*Initial, paid June 29, 1957.
†Represents 2 quarterly divds.
♠Based on shares outstanding in hands of public.

Shares o/s as at Dec. 31:		
Old common, n.p.v.	......	$1,650,800
New com., n.p.v.	5,703,080	......

§Includes 225,030 shs. owned by subsids.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$4,755,402	$13,091,951
Receivables	17,028,201	19,606,907
Inventories	40,811,612	36,550,848
Total curr. assets	62,595,215	69,249,706
Prepaid exps.§	1,035,947	871,437
Mkt. secs.†	6,058,515	6,049,462
Other secs.	157,398	158,498
Agreemts. of sale	423,368	467,529
Fixed assets*‡	70,669,015	52,857,564
Total assets	140,939,458	129,654,196
Accts. pay.	13,473,611	11,826,600
Inc. taxes	5,537,885	5,521,190
Total curr. liabs.	19,011,496	17,347,790
Long-term loan	11,389,851	11,982,122
Defer. inc. tax	12,097,700	10,229,300
Def. inc. credit	383,946	440,127
Capital stock	8,873,924	10,274,500
Contrib. surplus	2,211,485	3,071,745
Earned surplus	86,971,056	78,496,840
Less: Cost shs. owned by subs.	......	2,187,228
*After deprec. & depl. of	80,925,468	76,374,928
†Mkt. value	20,621,897	20,143,930

§Included in curr. assets in co.'s report.
‡After $2,068,252 in 1956 and $2,223,751 in 1957 for accruals for rebuilding and relining furnaces, etc.

Working capital	43,583,719	51,901,916

Electrical Equipment

SANGAMO CO., Leaside, Ont., net profit of $371,451 for 1957 was 38% higher than 1956's $296,319.

Net sales were a record, up 4.7%, says President H. L. Burrow.

The final payment of $75,000 eliminated long term borrowings.

While wages and salaries were higher, economies in manufacture were effected and are reflected in improved earnings.

Inventories were reduced $524,853 and capital expenditures were $239,857.

New business fell off sharply during the last half of 1957, and company entered 1958 with considerably less business on file than at the start of 1957.

Company expects business in the first half of 1958 will be below the same period in 1957.

Company is continuing to effect economies in manufacture and operations which it hopes will offset lower sales volume.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Net earnings	$1,012,708	$822,860
Less: Deprec.	304,260	259,041
Bond int.	1,997	4,500
Inc. tax res.	335,000	263,000
Net profit	371,451	296,319
Less: Com. divds.	117,788	108,727
Surplus for year	253,663	187,592
Earnings per Share and Dividend Record:		
Com.: Earned	$2.05	$1.64
Paid	0.65	0.80
Shares o/s as at Dec. 31:		
Common, n.p.v.	181,212	181,212

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$2,235	$2,160
Accts. rec. less res.	689,089	860,455
Inventoris	2,487,438	3,012,291
Total curr. assets	3,178,762	3,874,906
Prepd. chgs., etc.§	64,414	35,300
Fixed assets	1,225,585	1,299,602
Total assets	4,468,761	5,209,808
Due bank	398,734	1,336,815
Accs., etc., pay.	602,687	584,316
Ser. bd due	......	75,000
Total curr. liab.	1,001,421	1,996,131
Contingent res.	......	120,000
Capital stock	505,135	505,135
Earned surplus	2,962,205	2,588,542
*After depr. of	1,938,290	1,806,426
Working capital	2,177,341	1,878,775

§Incl. in curr. assets in co.'s report.

Steel Products

CANADA FOUNDRIES & FORGINGS LTD., Brockville, Ont., net profit of $86,340 for 1957 was 58% lower than 1956's $206,033.

Changing conditions in certain of its established markets necessitated substantial expenses, which adversely affected earnings, says President W. D. Weir. These expenses were absorbed and subsequent operations should benefit.

Orders on hand at year end are approximately the same as a year ago.

Capital expenditures were $85,270.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Net earnings	$250,540	$484,979
Less: Deprec.	91,681	99,035
Taxes	72,519	179,911
Net profit	86,340	206,033
Less: Cl. A divds.	31,483	32,945
Common divds.	14,400	......
Surplus for year	40,457	173,088
Earnings per Share and Dividend Record:		
Class A†	$4.20	$9.65
Class A*	2.49	5.22
Paid	1.50	1.50
Common	0.91	2.44
Paid	0.37½	nil

†Before (*after) participation.

Shs. o/s at Dec. 31:		
Class A, n.p.v.	20,536	21,341
Common, n.p.v.	38,400	38,400

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash & govt. bds.	$305,696	$312,198
Accts., etc., rec., less res.	786,937	953,097
Inventories	2,256,694	2,438,055
Total curr. assets	3,349,327	3,703,350
Misc. assets	41,228	36,183
Fixed assets‡	1,129,745	1,131,761
Total assets	4,520,300	4,871,294
Bank loan & o/d	981,275	998,518
Accts. & tax. pay.	787,208	1,141,586
Total curr. liab.	1,768,483	2,140,104
Capital stock	958,760	986,935
Capital surplus	625,240	597,065
Surplus	1,167,817	1,147,190
‡After depr. of	1,533,000	1,445,715
Working capital	1,580,844	1,563,246

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DOMINION FOUNDRIES AND STEEL, LIMITED, HAMILTON, CANADA

23-5305

Our Package Men Look at Problems

Quality, production, research, speed, printing.

These and many other topics moved into the spotlight at last week's annual conference of the Packaging Association of Canada in Toronto.

Here's how some industry leaders put the points into perspective:

* * *

Most progress follows lengthy and time and money consuming experiments and trial runs, said W. J. Hurrell, Toronto plant manager, **Hinde & Dauch Paper Co. of Canada.**

We must all ask ourselves whether we are prepared to make the extended and costly trials required. Whether our present equipment will enable us to produce a satisfactory job.

Whether the potential volume of business warrants the expenditure for any necessary new equipment.

* * *

Many people admire research from a distance, claiming it is an expensive luxury which can be afforded only by the very large companies.

This is entirely wrong, said D. Christie, assistant director, department of industrial research services, Ontario Research Foundation.

Research can be adapted to suit the circumstances of every company.

Whether you spend a few dollars or millions on product development, as long as there is an effort to do things better, it is still research.

* * *

When an instrument is found satisfactory for a specific problem its use is often extended to cover many other situations.

This is where we have to be very careful as the results can be downright misleading, said L. S. Campbell, technical and research director, **Gair Co. Canada.**

This leads to the dictum that each packaging problem must be carefully examined in its own light.

One of the greatest concerns of food manufacturers are the changes in the flavor that occur in his products during its so-called shelf life, said Dr. M. C. Allen, vice-president **George Weston Ltd.**

Packaging men should remember that most perishable foods are subject to oxidation and should avoid materials that permit air penetration, the absorption of fats.

If they are to be displayed in strong light they should avoid transparent materials.

* * *

More Canadian companies are turning to high speed printing as the best way to produce quality packaging for our ever expanding markets, said H. J. Foley, Toronto sales manager, **Photo Engravers & Electrotypers Ltd.**

come.

High speed printing in itself is not the answer. For it to become practical, higher quality standards must be met.

* * *

We are all looking for some kind of gadget or magic that will automatically produce speed and production, but there is no such magic, said H. Ellam, manager, research and development department, **Rolph-Clark-Stone Ltd.**

After you have purchased your high speed press the first thing you should do is find the most skilled operators since no press is better than those who operate it.

* * *

Maintenance of high quality at higher press speeds can be approached from two aspects, said K. W. Malcolmson, plant superintendent, **Canada Foils Ltd.**

First, we can assume the press speed has been increased and problems are being encountered in quality.

Second, having achieved satisfactory quality, production must be further increased to reduce unit costs.

Solving the first invariably leads to the necessity to solve the second.

This is the pattern of all industrial progress and rotogravure printing is no exception.

* * *

Good quality flexographic printing starts with the art work, said A. Mueller, sales manager, **Manton Printing Inks Ltd.**

It is here that a lot of planning is necessary.

This involves five personalities: customer, artist, plate maker, ink maker and converter.

The closest co-operation between these five is essential.

It is with art work that the ground work is laid of either successful or unsuccessful printing.

* * *

In some instances more emphasis could be placed on the package, its size, shape, color, etc., than the contents, said R. B. Mitchell, supervisor, laboratory, **Lever Bros. Ltd.**

This change has not been entirely due to a marketing or sales function, but also as a result of the use of high speed equipment.

Ten years ago a throughput of 30 cartons per min. was typical; today 300 cartons per min. is not unusual.

* * *

The supermarket represents a new era of merchandising and the introduction of selling through eye appeal, said D. S. Williams, technical director of **Wonder Bakeries Ltd.**

The old days of let the buyer beware have been replaced by let the customer see, feel, squeeze and if necessary, taste the product to be assured that quality is paramount.

Today the baking industry is looking for a flexible packaging material which is transparent, heat sealing, dimensionally stable and low in cost.

* * *

Polyethylene appears to have a future in the baked goods field, said T. A. Day, sales technical manager, films division, **Du Pont Co. of Canada (1956).**

One of the biggest problems to the widespread use of this film has been the problem of heat sealing on overwrapping equipment.

Packaging machinery manufacturers are now working on these problems. Such equipment is not too far away.

Watch Those Inventories

OTTAWA (Staff)—Has your firm been getting caught with too small or too large inventories?

If it has, it hasn't been alone. There has been lots of company for it—until now.

Now, government business specialists find, more and more executives are realizing that more concentration on future market potential is necessary along with sales pushes.

They report company after company across the country looking beyond the production line. Production spurts and slowdowns are being found by more businessmen to result in unnecessary costs.

They are finding also that the market analyst and the inventory controller are being sought after by the wider-awake firms.

And hand-in-hand with the demand for these long-unused skills, is going an emphasis on economists even in smaller businesses, and on skilled personnel managers.

The economists are not expected to blue-print the future but they are expected to provide top management with a broad outline of market conditions.

The personnel expert will be employed now to make careful selection of staff in an easier labor market.

This revitalized business thinking, along lines long neglected, is welcomed by the government.

The reason: Better planning will tend to level the peaks and valleys in national production and employment, make also for greater economic stability—and sounder Canadian industry.

Company Report

Food

CANADIAN SALT CO., Montreal, consolidated net profit of $255,723 for 1957 was 8.6% higher than 1956's $235,406.

Sales of evaporated salt increased in dollar value with approximately the same tonnage sold, says President D. Peterkin, Jr. Rock salt sales were up in tonnage and dollar value, due to increased use of this product for industrial purposes as well as for highway ice control.

In 1957 a wholly owned subsidiary company, **Canadian Brine Ltd.,** was incorporated. This company will supply annually, a substantial quantity of brine to a U. S. chemical company by means of a pipeline under the Detroit River.

To do this Canadian Brine acquired 155 acres adjacent to the Canadian Salt brine field and has constructed numerous brine wells and gathering lines on this land.

This land was acquired at cost from Canadian Salt, which had purchased it in 1956. Canadian Brine assumed liability for balance of purchase price and commenced production operations early in 1958.

Canadian Rock Salt Co., a wholly owned subsidiary, commenced sinking a second shaft at the mine at Ojibway, Ont. Cost is estimated at $1.6 million. This shaft will be used primarily to raise and lower men and materials, reducing interference with the hoisting of salt in the operating shaft. Completion is expected in 1959.

Number of directors was increased from nine to 11.

Annual meeting is March 27.

CONDENSED BALANCE SHEET

Years Ended Dec. 31:	1957	1956
Gross profit	$2,044,259	$1,936,317
Less: Oper. exp.	1,047,343	952,102
Oper. profit	996,916	984,215
Add: Misc. inc.	49,942	36,765
Less: Deprec.	368,381	394,453
Amort.	13,625	14,343
Int. on funded debt	152,429	159,278
Taxes	256,700	217,500
Net profit & surp.	‡255,723	235,406

‡Co.'s report shows net profit of $318,726 in 1957 including loss on sale of investments of $3,118, profit on sale of land of $37,173 and credit adjustments applicable to prior years amounting to $28,948.

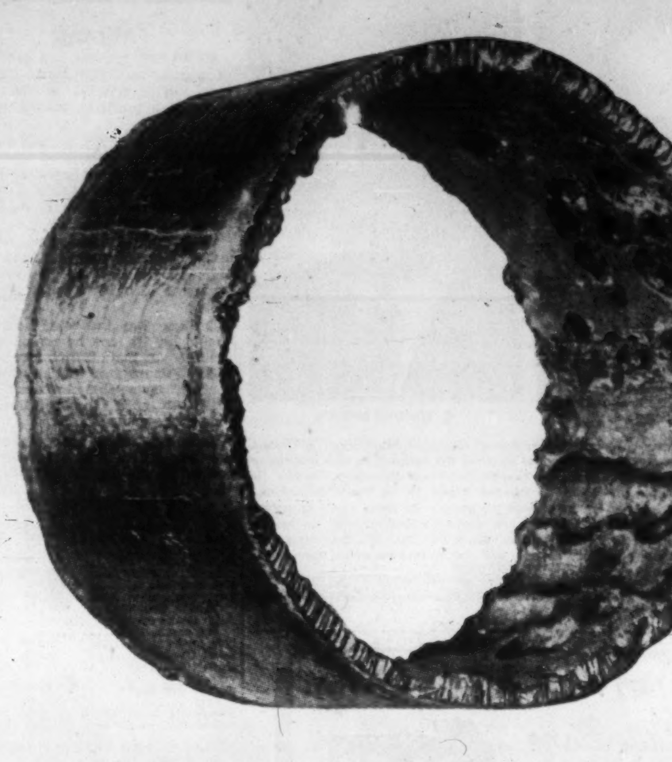
Earnings per Share and Dividend Record:		
Common	$1.02	$0.94
None paid.		
Shares o/s as at Dec. 31:		
Common, n.p.v.	250,000	250,000

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$569,825	$366,433
Invest.†	53,800	88,706
Accts. rec. less res.	1,333,494	1,630,933
Invent.	644,225	647,999
Total curr. assets	2,601,344	2,734,071
Prepd. exp.*	19,420	15,280
Inv. & adv. in subs.	707,484	909,337
Fixed assets‡	2,297,419	2,734,373
Unamort. disc. & exp.	111,335	124,960
G'will, t'marks, etc.	1	1
Total assets	5,737,003	6,518,022
Accts. pay., etc.	534,733	641,071
Inc. tax	80,651	102,275
Due to sub.	135,758	798,303
Total curr. liab.	748,142	1,541,649
Owing on land purch. (sec.)	......	129,238
Funded debt	3,082,500	3,259,500
Capital stock	915,000	915,000
Earned surplus	991,361	672,635
‡After depr. of	2,446,257	2,220,255
†Market value	55,500	82,300
*Incl. in curr. assets in co.'s report.		
Working capital	1,853,202	1,192,422

▲Note—At Dec. 31, 1957, co. had contracted liabilities re plant and equipment of approx. $18,700. Co. was also guarantor for $500,000 loan obtained by a subsidiary.

Unretouched photo showing typical return line corrosive action resulting from carbonic acid and dissolved oxygen in condensate.



BREAKING DOWN WITHIN

This section of pipe looks like new—on the outside. But take a look inside. Grooving action caused by carbonic acid and deep pitting, the result of dissolved oxygen attack, have almost completely penetrated the pipe wall.

Dearborn FILMEEN* prevents such destruction. FILMEEN forms a protective, non-wettable barrier between treated steam, or condensate, and metal pipe surfaces. By preventing the carbonic acid and dissolved oxygen from coming into contact with the metal, FILMEEN assures corrosion-free lines. FILMEEN is only one of many Dearborn water conditioning products scientifically developed to control specific corrosion problems. Others eliminate scale, sludge, carry-over and similar difficulties.

Power engineers in leading industrial and commercial plants place their confidence in Dearborn's 70 years of experience in water chemistry. They have found the answer to the demand for complete plant protection in Dearborn Supervisory Service—a properly balanced water conditioning program which combines quality products with correct, technically supervised control methods and test procedures.

Let a Dearborn Engineer survey your plant and recommend the type of water control program best suited to your requirements.

**FILMEEN is the trade-mark of a corrosion-inhibiting compound patented and produced exclusively by Dearborn Chemical Company. U. S. Pat. No. RE 23614.*

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...the leader in water conditioning and corrosion control since 1887

Dearborn Chemical Company, Ltd.
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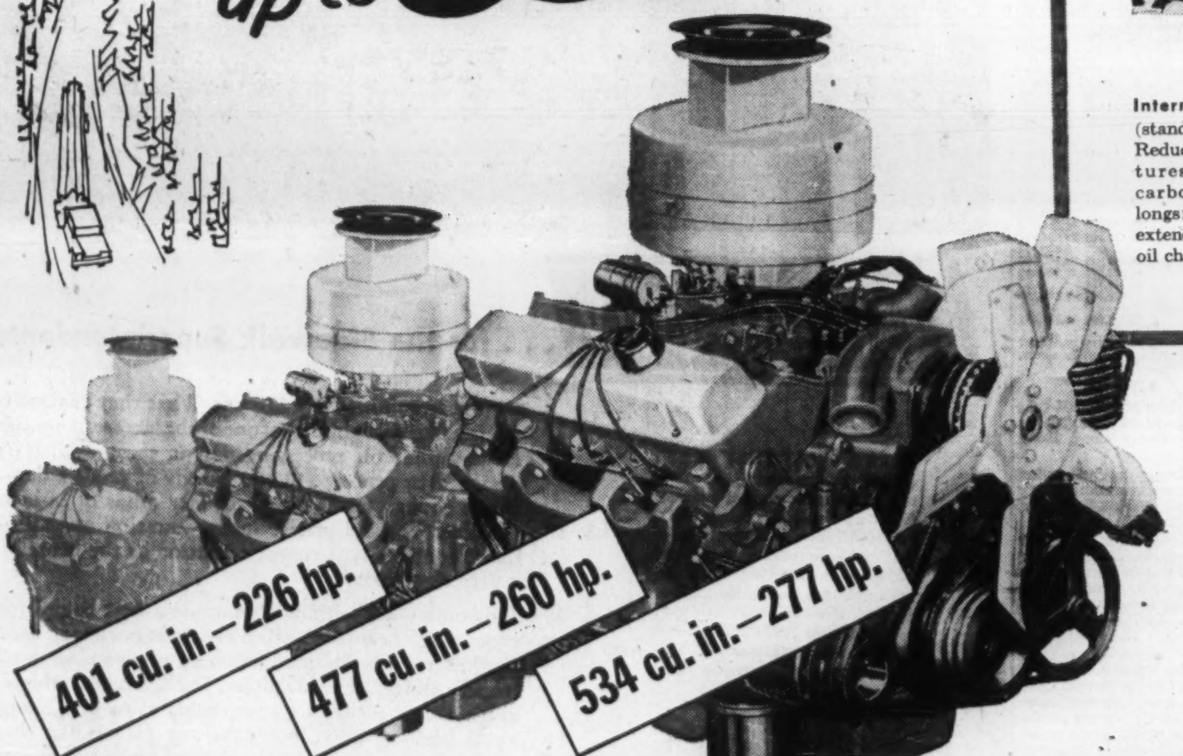
Dearborn Chemical Company, Ltd.
Dept. FP-F, 2454 Dundas St. West
Toronto 9.

☐ Please have a Dearborn Engineer call.
☐ Send complete details on Dearborn Water Conditioning Program.

Name.............................*Title*..........
Company...
Address...
City.......................*Province*................

MERCURY INTRODUCES

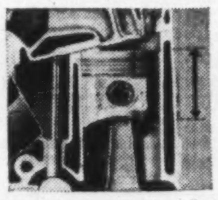
3 ALL-NEW SUPER DUTY V-8's up to 534 cu. in.



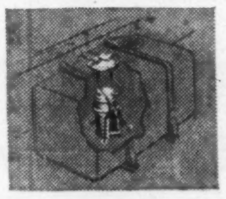
Here's 1958's biggest truck news! Now—three all-new Mercury Super Duty truck engines with up to 534 cu. in. displacement—up to 277 horsepower. They're totally new—conceived, designed and built to power Mercury's all-new line of Super Duty trucks. In fact, these engines are *so* new, the complete story would fill a book. However, although totally new, pilot-models of these engines have been thoroughly tested in actual fleet use. Result—you're assured of *payoff proved* power, performance and economy. We invite you to get the full Super Duty V-8 story first hand from your Mercury Truck Dealer.

MERCURY TRUCKS SALES-SERVICE

Here is part of the inside story of Mercury Super Duty truck V-8's

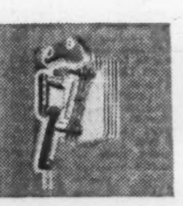


Modern Short-Stroke Design: Increases usable horsepower and torque—pays off with less internal friction for long engine life, top fuel and oil economy.

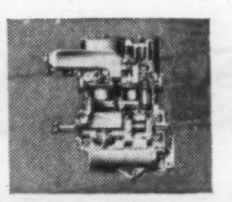


Submerged-type Electric Fuel Pump: Mounted at the bottom of the fuel tank, minimizes vapor-lock by *pushing* only liquid fuel through to the carburetor.

Internal Oil Cooler (standard equipment): Reduces oil temperatures to minimize carbonization, prolongs moving parts life, extends time between oil changes.



Air Brake Compressor: Base mounted directly to block and lubricated from the block, eliminating external plumbing. Optional 12 cu. ft. compressor available.



Built to power Mercury's All-New Super Duty Trucks

For '58, Mercury Trucks go heavy duty in a big way with 10 all-new Super Duty trucks built for maximum legal highway loads—even bigger loads on off-the-highway jobs with GCW ratings up to 75,000 lbs. Proof of Mercury's all-new bigness is found everywhere. Front axle capacities up to 15,000 lb. Tandem bogies as big as 38,000 lb. And, of course, a wide range of super duty transmissions up to 8-speed Roadranger. Pick your Mercury Super Duty from all new 850, 950, 1000 and 1100 Conventional or Tilt Cab models, and 850 and 950 Tandems. For '58, Mercury makes a truck for every job. See your Mercury Truck Dealer.

PAYOFF PROVED
MERCURY TRUCKS

MIGHTY MERCURY TRUCKS

...mightier than ever in '58

ANNOUNCEMENT

MacLAREN ADVERTISING EXECUTIVE APPOINTMENT

JAMES FERRES

C. EDMUND BROWN

It is announced by Einar V. Rechnitzer, President of MacLaren Advertising Co. Limited, that at the annual meeting of the Board of Directors the resignation was received of James Ferres from the position of Senior Vice-President and Managing Director. He announced also the appointment of C. Edmund Brown to be Vice-President and General Manager. Mr. Brown has been with the agency for thirty years in various departments, for much of this time as a senior account executive. He has been a Vice-President for the past four years, and latterly a Director. Mr. Rechnitzer paid tribute to Mr. Ferres' many years of service, and stated that he would continue as a Director of the Company.

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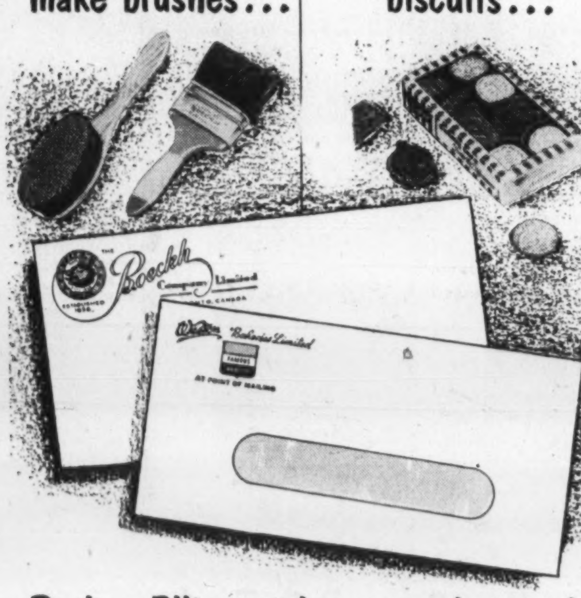
Whether you make brushes... or sell biscuits...



Barber-Ellis envelopes are designed to put the best foot forward!

Whatever your business, it pays to look your best in *every* contact with a customer, client or prospect. This situation is just as true when you reach these people *by mail.*

That's why more and more aggressive business firms look to Barber-Ellis "smartly-designed" envelopes for extra help ... extra good appearance when calling by mail. For here is expert counsel, plus skilled designing that assure you instant impact and recognition for your mail—better protection for its contents. Barber-Ellis envelopes are *made right to seal tight* ... in Canada's widest selection of standard sizes and styles.

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BARBER-ELLIS SALES AND SERVICE COAST TO COAST

Company Reports

Mining

RENABIE MINES had net profit of $49,810 in 1957, down sharply from net of $176,141 in 1956 which included a profit of $24,380 on sale of assets.

Deepening of No. 2 shaft to 2,200 ft. has been completed and new equipment is being installed in the mill to increase capacity from 500 tons daily to 600 tons, R. A. Bryce, president, reports.

W. A. Moore, mine manager, estimates that changeover from steel balls to rod and pebble grinding will save about 30c a ton in grinding costs.

Drilling has indicated some ore about 300 ft. southwest of the J orebody on the 1,250 ft. level. The 1,400 ft. J crosscut will be extended south to cover the new ore. Drilling from 1,550 ft. has proven the existence of the J orebody.

Total operating costs were $7.23 per ton milled and $38.64 per oz., compared with $7.28 and $33.52 in 1956.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Bullion production	$1,056,830	$1,152,007
Less: Oper. exps.	1,082,007	948,399
Oper. profit	•25,177	203,608
Add: Cost-aid asst.	175,446	86,387
Invest. income	22,765	27,782
Net earnings	173,034	317,777
Less: Deprec.	123,150	162,796
Outside dev. w/o	74	3,220
Add: Profit on sale of assets	......	24,380
Net profit	49,810	176,141
Less: Divds.	94,500	210,001
Deficit for year	44,690	33,860
•Loss.		
Earned per Share	$0.05	$0.17
Paid	0.09	0.20
Shares o/s as at Dec. 31:		
Common, $1 par	1,050,005	1,050,005

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash & bullion	$220,872	$514,640
Accts. rec.	27,838	12,040
Cost-aid assist.	109,922	37,004
Mktble. secs.†	28,338	236,447
Stores & mat.	297,171	323,538
Total curr. assets	684,141	1,123,669
Prep. exp.§	6,146	11,891
Adv. to Jerd Pete.	48,000	§30,000
Invest., Macassa▲	105,243	§105,243
Invest., Bicroft■	196,270	......
Other invests	4,337	......
Outside expl.	13,400	12,000
Def. devel., etc.	290,936	131,090
Mining props.	76,477	76,477
Bldgs. & equip.*	526,720	435,800
Total assets	1,951,670	1,926,080
Total curr. liabs.	154,378	95,002
Capital stock	429,550	429,550
Surplus	1,367,742	1,401,528
*After depr. of	1,859,577	1,757,258
†Market value	16,750	224,125
▲Market value	158,125	104,650
■Market value	116,600	......
§Incl. in curr. assets in co.'s report.		
Working capital	529,763	1,028,667

OPERATING STATISTICS

	1957	1956
Tons milled	167,133	153,322
Aver. recov.	$6.32	$7.51
Ore reserves, tons	402,497	475,648
Grade ($35 gold)	$7.42	$8.12

MACASSA MINES had a net profit of $516,606 in 1957, down 15% from $604,520 in 1956.

Milling capacity has been increased by 100 tons daily to 500 tons, R. A. Bryce, president, reports.

A total of 3,119 ft. of ore averaging 0.45 oz. per ton over an average width of 6.3 ft. was developed in the program to open new levels from the No. 2 winze.

Macassa is financing a limestone quarry operation which is expected to be in production by June.

M. R. MacPherson, mine manager, reports a major new vein encountered in the west end of the mine on the 4,750 ft. level. Costs increased but the mine still was not eligible for cost-aid assistance. Costs rose to $12.41 a ton and $27 per oz., from $10.78 and $26.15 respectively in 1956.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Bullion prod.	$2,194,977	$2,008,084
Less: Oper. exp.	1,541,399	1,425,775
Oper. earnings	653,578	582,309
Add:		
Renabie divds.	72,000	160,001
Other inc.	37,400	30,408
Net earnings	762,978	772,718
Less: Deprec.	48,188	39,179
Outside expl. w/o	*38,051	4,788
Res. for taxes	160,133	124,292
Add: Prof., f.a. sale	......	61
Net profit	516,606	604,520
Less: Divds.	401,710	401,710
Surplus for year	114,896	202,810
*Shown in surplus in co.'s report.		
Earnings per Share	$0.19	$0.23
Paid	0.15	0.15
Shares o/s as at Dec. 31:		
Common, $1 par	2,678,068	2,678,068

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash & bullion	$848,411	$906,318
Accts., etc., rec.	2,588	1,211
Mkt. secs.‡	181,291	133,427
Bonds on deposit	16,745	16,745
Mat. & supplies	211,183	173,395
Total curr. assets	1,260,218	1,231,096
Prep. ins.§	567	5,083
Outside explor.	......	30,642
Inv. Renabie M.	▲370,005	370,005
Inv. Bicroft Uran.	■567,377	492,018
Other invests.	169,447	151,007
Mining property	1,610,633	1,610,633
Plant & equip.*	240,840	177,594
Total assets	4,219,087	4,068,078
Accts. pay., etc.	150,541	141,213
Inc. tax res.	83,367	50,794
Total curr. liabs.	233,908	192,007
Capital stock	2,678,068	2,678,068
Surplus	1,307,111	1,198,003
*After depr. of	1,524,584	1,476,396
‡Market value	147,325	125,125
▲Having quoted mkt. val. of $1,160,007.		
■Having quoted mkt. val. of $420,700.		
§Included in curr. assets in co.'s report.		
Working capital	1,026,310	1,039,089

OPERATING STATISTICS

	1957	1956
Tons milled	141,116	140,743
Average recovery	$15.55	$14.27
Ore reserves, tons	918,387	833,167
Grade ($35 gold)	$15.87	$16.00

Tobacco

IMPERIAL TOBACCO CO. OF CANADA, consolidated net profit of $10,954,108 for 1957 was 4.6% higher than 1956's $10,470,490.

Sales of cigarettes and cigars increased, demand for pipe tobacco was firm but demand for fine-cut tobacco declined. Results were encouraging despite the fact a number of competitive cigarette brands entered the market, says President Edward C. Wood.

The 1957 Canadian crop of all types of tobacco was 166 million lb. Prices being paid to tobacco growers for 1957 crop are expected to average about 3c a lb. more than 1956, an increase in price of more than 6% over previous year.

Progress in research has helped to offset rising costs in labor and materials but the narrowing cost-price margin may compel a price increase, company says.

Company's central research laboratory area in Montreal was doubled. Several self-contained units were built and doubled. Several self-contained laboratory units were built and furnished with new equipment.

As part of a long-range program to care for increased production, company purchased a 45-acre site in Guelph, and plans are nearing completion for a cigarette manufacturing plant there.

The program for pooling manufacturing facilities to increase product specialization was advanced with further realignment of production at Montreal, Hamilton, Granby and Quebec factories. Warehouse and production capacity was enlarged at the leaf processing plant at Joliette, Que. Nearly $8 million was invested in plant, equipment and premises.

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Premises have been leased in a building at Guelph in which supervisors will be given an over-all knowledge of company's operations.

Company purchased the remaining outstanding shares of **Tuckett Tobacco Co.**

CONS. INCOME ACCOUNT

Years End. Dec. 31:	1957	1956
Oper profits■	$25,700,351	$24,787,792
Add: Invt. inc.	750,748	893,297
Less: Deprec.	3,334,087	2,985,244
Bond int.	506,046	568,992
Income tax	11,641,232	11,521,900
Other sh'hldrs. profit	15,626	134,463
Net profit	10,954,108	10,470,490
Less:		
6% Pf. divd.	481,800	481,800
Common divd.	4,835,266	4,835,266
Final com. div.	1,692,343	1,450,580
Surplus for year	3,944,699	3,702,844
■After deducting inventory reserve of $805,508 in 1957 and $1,084,304 in 1956.		
Times Bond Interest Earned:		
Before depr.	52.27	45.13
After depr.	45.68	39.89
Times All Pref. Divd. Requirements:		
Earned	22.74	21.73
6% pfd. pd.	$0.292	$0.292
Common:		
Earn. per sh.	1.08	1.03
Paid	0.50 + †0.17½	0.50 + †0.15
†Final dividend payable in Mar. of following year.		
Shares o/s at Dec. 31:		
6% pref., $4.86⅔ par	1,650,000	1,650,000
Common $5 par	9,670,532	9,670,532

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash & deposits	$13,330,984	$13,548,187
Govt. sec.*	14,949,410	14,013,840
Other sec.	5,857,629	5,890,748
Accts. rec. less res.	14,139,870	15,146,356
Inventories■	54,397,699	81,444,641
Tot. curr. as'ts.	102,675,592	130,043,772
Sundry invests.	216,478	605,846
Misc. assets	590,763	607,969
Fixed assets	39,159,993	32,655,730
Goodwill, etc.	31,097,298	31,097,298
Total assets	173,740,124	195,010,615
Accts., tax., etc., pay.■	24,621,194	51,323,212
Debentures	700,000	700,000
Accr. divds.	1,812,793	1,571,030
Tot. curr. liab.	27,133,987	53,594,242
Funded debt	16,217,000	18,190,000
Empl. pens. fd.	3,747,587	3,742,360
Deprec. res.	39,576,246	36,185,753
Deb. redempt. res.	5,800,000	5,200,000
General res.	9,000,000	8,000,000
Sundry res.	598,851	423,204
Share int.	27,657	380,959
Capital stock	56,382,660	56,382,660
Surplus	15,256,136	12,911,437
*Market value	15,058,825	14,017,331
■Including undelivered portion of current crops purchased under contract.		
Working capital	75,541,605	76,449,530

Oil Company

HUDSON'S BAY OIL & GAS had net profit of $3,073,002 equal to 17c a share in 1957, up from net profit of $2,358,602 equal to 13c a share the previous year.

Outlook is for a continuation into 1958 of marketing and other problems encountered by the industry last year, President R. C. Brown says.

Net crude oil output by the company last year averaged 22,257 bbl. daily, up from 20,992 bbl. the year before. This 6% gain parallels the industry's increase in western Canada generally in the year, Mr. Brown says.

The production increase was made despite a 4% drop in output of crude oil in Alberta where most of company's production is located, he says.

Hudson's Bay has partially developed natural gas reserves at a cost of about $25 million but lack of transportation and markets continues to restrict production, Mr. Brown says.

Deliveries to **Trans-Canada Pipe Lines,** scheduled to start late in 1958, will provide only a partial outlet for existing reserves.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
	$	$
Gross oper. income	20,962,835	18,040,016
Add: Interest	254,948	17,666
Less: Admin. & gen. exps.	9,106,978	8,121,537
Dry holes	1,435,862	1,723,853
Depletion	3,803,920	3,168,094
Depreciation	1,535,892	839,227
Interest	2,262,129	1,846,369
Net profit*	3,073,002	2,358,602
*Exclusive of nonrecurring gains from sale of investments in 1957 of $4,742,352 and from sale of acreage in 1956 of $2,244,997.		
Earnings per Share‡ and Dividend Record:		
Earned	$0.17	$0.13
None paid.		
‡For comparative purposes, earnings in 1956 based on 17,744,592 shs. at Dec. 31/57.		
Shares o/s as at Dec. 31:		
Common, $2.50 par	17,744,592	......
Common, $10 par	......	2,000,000

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$1,207,498	$441,176
Accts. rec.	2,857,784	2,828,779
Deposits & sec.	11,012,260	310,597
Inventory	3,256,175	2,941,140
Total curr. assets	18,333,717	6,521,692
Invest. in other cos.	480,892	2,961,269
Plant, prop. & equip.†	71,591,752	59,581,401
Other assets	876,319	739,459
Oil & gas rts.	1	1
Total assets	91,282,681	69,803,822
Bank loan	......	21,000,000
Accts., etc., pay.	3,179,303	4,890,019
Total curr. liabs.	3,179,303	25,890,019
Accts., loan, pay.	......	5,000,000
Funded debt	28,600,000	26,100,000
Capital stock	44,361,480	20,000,000
Capital surplus	14,512,741	......
Earned surplus	629,157	■7,186,197
†After depr. & depl. of	15,971,994	10,761,151
■Deficit.		
Working capital	15,154,414	♦19,368,327
♦Excess of curr. liabs. over curr. assets.		

Appliances

EASY WASHING MACHINE CO., Toronto, net profit of $192,452 for 1957 was 24% lower than 1956's $253,947.

Sales of appliances declined owing to the tight money situation, say Chairman R. C. Berkinshaw and President S. J. Randall.

During the last half of year company commenced production of a complete new line of conventional wringer type machines, and a new automatic washer and clothes dryer. This new line has increased company's sales.

Unseasonably cool summer weather retarded Vornadofan sales. Surplus fan inventory carried over from previous year retarded sales and created a chaotic market condition. Room air conditioner sales were similarly affected. However, a larger volume of business on the commercial models and a satisfactory dollar volume of profitable air conditioner sales resulted even though over-all unit sales were down.

Despite competitive conditions and monetary controls, company maintained and expanded its position, particularly on automatic washers and clothes dryers.

To meet demand for laundry equipment for use in apartment buildings, company is producing a new coin-operated automatic washer and clothes dryer.

Conventional wringer type-washers are still in steady demand but it is not expected sales in this product will increase.

Combined washer-dryer is finding ready acceptance and when sales volume warrants manufacture in Canada, company will negotiate license agreements with its U.S. associates.

The **Alliance Motor** division will shortly introduce a line of new ball bearing, permanently lubricated shaded pole general purpose motors up to 1/20 hp. These motors will be used in industrial and electronic appliances. Also a new 4-speed record player motor has been completed. Production will commence shortly.

Capital expenditures totaled $106,107.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Net earnings	$513,042	$563,179
Less: Deprec.	55,540	56,957
Amort.	57,280	....
Inc. tax	171,500	214,000
Deb. interest	36,270	38,275
Net profit	192,452	253,947
Less: Pref. divds.	48,967	49,880
Common divds.	89,711	102,771
Surplus for year	53,744	151,176

Note—The co. intends to claim as depreciation for tax purposes amounts in excess of those recorded in the accounts which has the effect of reducing income taxes otherwise payable. The co. claimed capital cost allowances in excess of deprec. & amort., of $30,000 for the year ended Dec. 31, 1957.

Earnings per Share and Dividend Record:	1957	1956
1st pref.: Earned ▲	$3.97	$5.13
Paid	1.00	1.00
Common	0.85	1.25
Paid	0.20	0.20
Extra	0.35	0.45
▲1, $4 par 3% 2nd pfd. sh. for each common sh.		
Shs. o/s at Dec. 31:		
1st pref.	48,450	49,520
Common	168,110	163,110

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$101,134	$140,138
Accts. rec., less res.	815,609	735,849
C.s.v. life insur.	19,317	16,259
Inventories	1,280,872	1,225,623
Total curr. assets	2,216,932	2,117,869
Prep. exp.§	8,821	10,116
Deposit with trustee	....	7,560
Fixed assets†	1,095,420	1,110,039
Total assets	3,321,173	3,245,584
Accts., tax., etc., p.	698,961	653,983
Debent. instal.	32,183	40,000
Total curr. liab.	731,144	693,983
Deferred inc. tax	158,000	143,000
Funded debt	590,000	630,000
Capital stock	1,132,590	1,128,990
Earned surplus	709,439	649,611
†After depr. of	489,944	439,141
§Incl. in curr. assets in co.'s report.		
Working capital	1,485,788	1,423,886

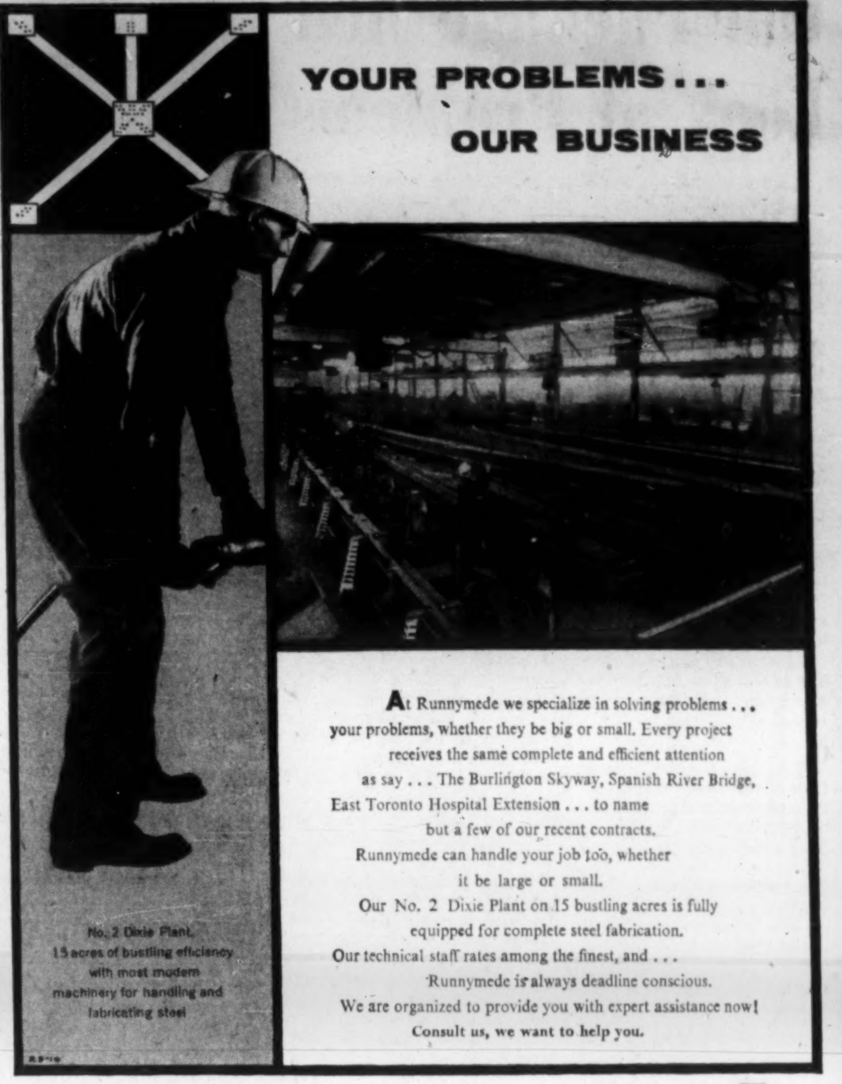
Foreign Exchange Rates

Noon Value in Canada
Week Ended March 14, 1958

	U.S.$	U.K.£
Mon.	97 25/32	2.75 12/32
Tues.	97 23/32	2.75 9/32
Wed.	97 28/32	2.75 18/32
Thurs.	97 21/32	2.75
Fri.	97 20/32	2.74 30/32
Ave.	97 117/160	2.75 37/160

U.S. rate reported by Bank of Canada.

U.K. bid rate reported by Toronto-Dominion Bank.



At Runnymede we specialize in solving problems ... your problems, whether they be big or small. Every project receives the same complete and efficient attention as say ... The Burlington Skyway, Spanish River Bridge, East Toronto Hospital Extension ... to name but a few of our recent contracts. Runnymede can handle your job too, whether it be large or small. Our No. 2 Dixie Plant on 15 bustling acres is fully equipped for complete steel fabrication. Our technical staff rates among the finest, and ... Runnymede is always deadline conscious. We are organized to provide you with expert assistance now! Consult us, we want to help you.

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NO. 2 PLANT, DUNDAS HIGHWAY, DIXIE, ONT.

GREAT DAY ... for the Sidewalk Superintendents

HERE'S WHAT THEY'LL SEE erected and installed; 340 tons of steel; 3,500 cubic yards of concrete; furnaces with capacity to heat 10,000 homes; 20 miles of pipe; 6 acres of heat-exchange surface; motors and turbines with a total of 12,000 horsepower; 500 instruments and control devices. The completed unit will consume some 100,000 man-hours of engineering services, 700,000 man-hours of construction time.

THIS is going to be a big one. What they're watching is the beginning of one of the largest, if not the largest crude oil processing unit in the world. It is designed to process **140,000 barrels of crude a day**—that's enough crude oil to fill fifty miles of 24-inch pipeline. Yet, its precise instrumentation and automatic controls will permit operation of the plant by a very small crew.

This unit will, without doubt, set a new record for processing crude oil. McKee-built plants already hold world's records for production of pig-iron, sintered iron ore and pelletized taconite. The diversified talents, abilities and experience that enable us to design and build high-capacity, profit-making plants like this efficiently and economically can be invaluable to you on your new project.

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ANNOUNCEMENT

Mr. John Bene, president of Western Plywood Limited, Vancouver, announces the election of Mr. D. K. Yorath to the board of directors of the company. Mr. Yorath is president of the Canadian Western Natural Gas Company Limited, and Northwestern Utilities, Limited, Edmonton, Alta.

CERTIFICATE OF REGISTRY

Notice is hereby given that Certificate of Registry No. C.2005 has been issued to the Reliance Insurance Company of Philadelphia authorizing it to transact in Canada the business of Fire Insurance, Accident Insurance, Aircraft Insurance, Automobile Insurance, Boiler Insurance, excluding Machinery Insurance, Explosion Insurance, Inland Transportation Insurance, Personal Property Insurance, Plate Glass Insurance, Real Property Insurance, Theft Insurance and, in addition thereto, Earthquake Insurance, Falling Aircraft Insurance, Hail Insurance, Impact by Vehicles Insurance, Sprinkler Leakage Insurance, Water Damage Insurance, Weather Insurance and Windstorm Insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the Company.

J. J. KILGOUR,
Chief Agent.

Will Dried Spuds Corner Market?

New process is boon to housewives, retailers . . .

By LEONARD BERTIN

Watch for big changes in the potato market that will affect growers, middlemen and domestic consumers alike.

A new process for dehydrating mashed potatoes has been perfected by U. S. government scientists that makes wartime varieties seem like another food in comparison.

At least one Ontario firm is planning to produce the new product on a major scale and others throughout Canada are expected to follow.

Experts forecast that the new product will:

- **Virtually banish the potato bag** from supermarkets ar.d food stores.
- **Go a long way toward** stabilizing prices throughout the year.
- **Restore the potato** to the place it deserves in the family diet on health grounds both as a body food and a protection against disease.

All this, despite the fact that the new processed spuds will cost from 2c to 6c lb. more on an equivalent fresh weight basis.

The new product was developed by the Eastern Utilization Research and Development Division of the U. S. Department of Agriculture, partly with a view to expand markets and extend the marketing season.

Its main advantage over earlier attempts to dehydrate potatoes is that the process now used preserves the delicate cell structure.

All that needs to be done to "reconstitute" them is to pour on half a cupful of cold skimmed milk and a cup-and-a-half of boiling water and stir in salt and butter.

Sample consignments of flakes were tried out in the summer of 1956 on the triple-city area of Binghampton, Endicott and Johnson City, N.Y.

The results were assessed by an audit of retail stores and by consumer survey.

One piece of evidence needed no interpretation.

The entire available supply, 900 cases equivalent to 28,000 lb. of fresh potatoes, sold out in five weeks.

Stores liked them because they offered compact and indefinite storage.

They replaced the familiar but unpopular bags of fresh potatoes that are not uniform, are difficult to handle and to stack, deteriorate and are the most frequent source of customer complaints.

Consumer surveys reported a "strong positive reaction."

Nine out of 10 home-makers who bought the product expressed general satisfaction.

Aside from taste and texture, they were impressed by the product's convenience, its easy and time-saving preparation.

In Canada, one of the people who received samples from the U. S. Government was potato expert Richard E. Goodin, assistant director, field crops branch of the Ontario Department of Agriculture.

Goodin is against the present trend of housewives to serve everything ready-made out of a packet or can, but was visibly impressed by the latest product.

He took a sample tin home to try recently, he told me, and found his wife had already prepared a bowl of mashed potatoes after the usual round of peeling, cleaning and boiling.

Without a word, he poured cold milk and boiling water on the flakes and stirred in salt and a hefty chunk of butter, and served it two minutes later side-by-side with the others.

"I'll say they were good," he said, "and what is more, they were still good, and white as well, after a week in the fridge."

Four big plants are opening up soon in the U. S. to produce the flakes.

One of them, with a daily throughput of 1,000 bags (75,000 lb.) will be in Steuben County, N.Y., just 100 miles from Niagara.

"Whoever gets this going first in Canada will really have something," in Goodin's opinion, and he hopes and believes that the first plant will be in Ontario.

"It is one of the biggest consumer areas and the logical place," he said.

One company has been into the matter pretty thoroughly, he revealed, but would not disclose the name.

Who Says Potatoes Are Fattening?

Do you shy away from potatoes because you think they are "fattening"?

Read this opinion on the matter.

It comes from one of Canada's leading food experts, Dr. L. B. Pett, chief of the nutrition division of the Department of National Health and Welfare:

The place of potatoes in our Canadian diet is simply that they should be eaten every day, by practically everyone.

Great harm has been done to the public themselves, as well as to the potato industry, by the common fallacy that "potatoes are fattening."

No food is fattening in itself, but only in the way it is used.

Fat folks should stop shuddering at good foods like bread and potatoes.

It would be better to take a good look at the cherry pie, doughnuts, cookies or ice cream sundae.

Sugar is just pure calories, while potatoes have additional food values that may be vital to life itself.

One chocolate usually has more calories in it than a fair-sized potato.

They are empty calories—just empty sugar and fat calories not providing other nutritional values.

Potatoes, in addition to calories, offer vitamin C, vitamin B^1, iron and other minerals.

For this last reason alone, potatoes are believed to have saved many Canadians from scurvy which, though not common here, has for 400 years never been far from the nation's most serious nutritional problem.

Canada's Potato Watchdogs Keep Closer Tab on Imports

Canadian federal and provincial agricultural department and customs officials are tightening up their watch on potato imports from the U. S.

They report that since a new scale of tariffs came into effect last March, U. S. exporters have been sending as duty-free new potatoes some of last year's late crops that should qualify for duty of 37.5c for 100 lb.

"We're not taking any action at present," an official of the Ontario Department of Agriculture told **FP**, because the quantities coming in this year from the U. S. are in any case negligible. But we are watching the situation carefully."

Until the new tariff agreement was negotiated last year U. S. potatoes came into Canada duty free between Aug. 1 and June 14, when protection was necessary for early Canadian crops.

The U. S., on the other hand, charged a basic duty of 37.5c on every 100 lb. of Canadian potatoes up to a quota of 2.5 million lb. of seed and one million lb. of table varieties.

Over and above that quota everything was charged at 75c for 100 lb.

Canadian growers have long been campaigning for equalization of tariffs.

Partial but still unsatisfactory results were achieved last March when the protected period for Canadian potatoes of all varieties was extended from Aug. 1 to Jan. 1.

For the rest of the year and until June 14 duty was fixed on imports at 37.5c for all but "new" potatoes.

Part of the trouble, the Ontario government official told **FP**, was difficulty in defining a "new" potato.

"Those that are now coming in would pass the average housewife as new but closer examination of skin shows that many are really the last of last year's crop."

It has made little difference this year because a shortage in the U. S. due to frosts has meant that most of the imports have been moving the other way.

There is only an odd carload now and again coming in from the south with potatoes that are priced far above the heads of most Canadian consumers.

U. S. growers were very hard hit. Many have had to replant two or three times.

This means that in Florida, Alabama, Virginia and North Carolina, they are planting now when they would normally be digging.

This has meant an increased demand for Canadian seed, with a resultant hike in prices for table varieties too.

In the long run it may mean a glut around early June when the first of this year's crops are being dug in Southwestern Ontario.

The year has, to date, been a good one.

Up until March 11, 2,377 carloads of seed went to the U. S. and 1,574 to other countries, making a total of 3,951 (a carload is about 600 bags of 75 lb. each).

The total shipments for seed and table varieties from the Maritimes this year has been 14,395 carloads compared with last year's 12,511, an increase of 1,884.

Bank Staff Changes

Commerce:

J. E. Abell, accountant, Eglinton & Yarrow, Toronto, to be accountant, St. Clair & Dufferin, Toronto.

E. A. BOOKER, an assistant accountant, Windsor, Ont., to be accountant, Market, Toronto.

B. BOWMAN, manager, Wiseton, Sask., to be manager, Wadena, Sask.

J. P. DOUGHERTY, to be an assistant accountant, Windsor, Ont.

J. G. C. GRANDMONT, to be assistant accountant, Asbestos, Que.

E. N. GRANT, manager, Eglinton & Bayview, Leaside, Ont., to be manager, Business Development Dept., Regional Office, Vancouver.

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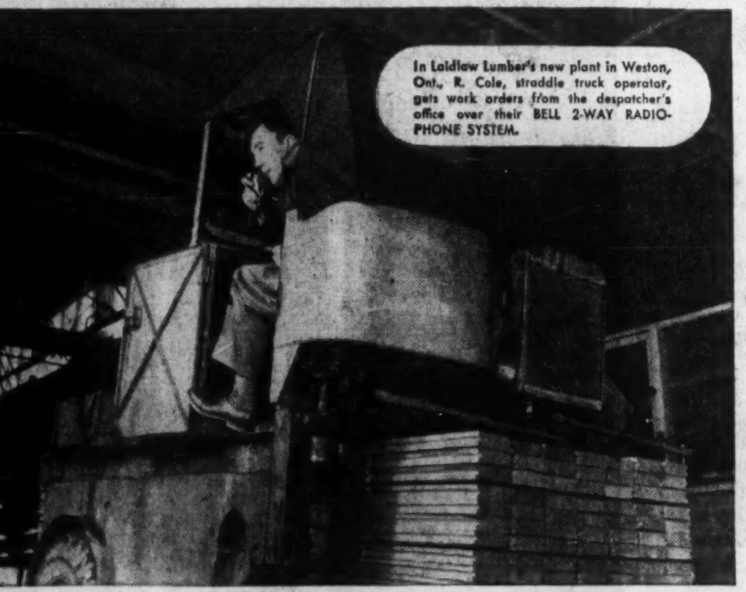


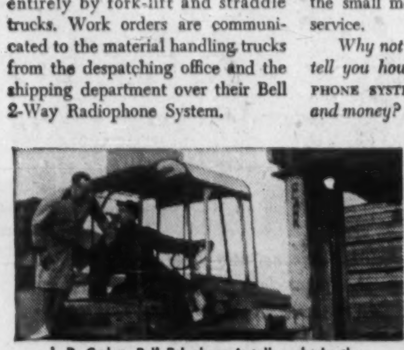
Laidlaw Lumber's new plant gets efficient use of material handling equipment with their

BELL 2-WAY RADIOPHONE SYSTEM

Laidlaw Lumber's new $2.5 million plant in Weston, Ont., was designed for maximum efficiency in materials handling. Lumber is handled almost entirely by fork-lift and straddle trucks. Work orders are communicated to the material handling trucks from the despatching office and the shipping department over their Bell 2-Way Radiophone System.

The lumber company estimates that the 2-Way Radiophone System increases efficiency of the trucks by 15%—giving a good return on the small monthly payment for the service.

Why not give us a call and let us tell you how a BELL 2-WAY RADIOPHONE SYSTEM *will save you time and money?*



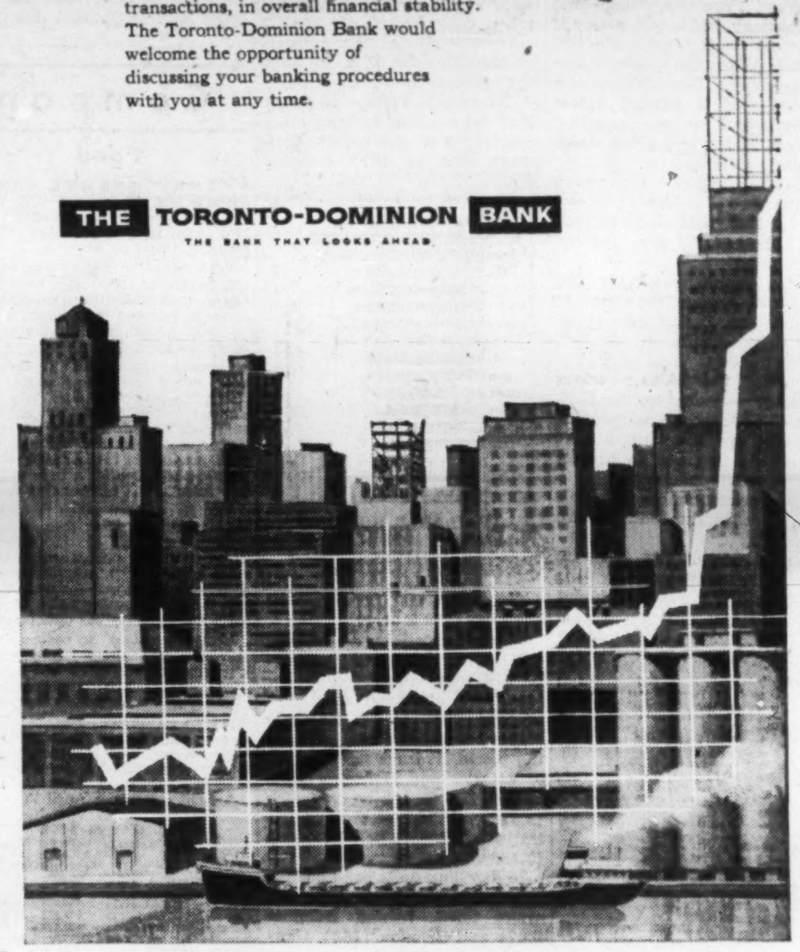
J. R. Caden, Bell Telephone Installer, checks the Bell 2-Way Radiophone equipment in lift truck operated by Urban McMannis. Laidlaw Lumber estimates that it increases the efficiency of the material handling trucks by 15%.

R. W. L. Laidlaw, executive vice-president, uses control equipment in shipper's office to communicate work orders to materials handling equipment in Laidlaw Lumber's modern plant in Weston, Ont.

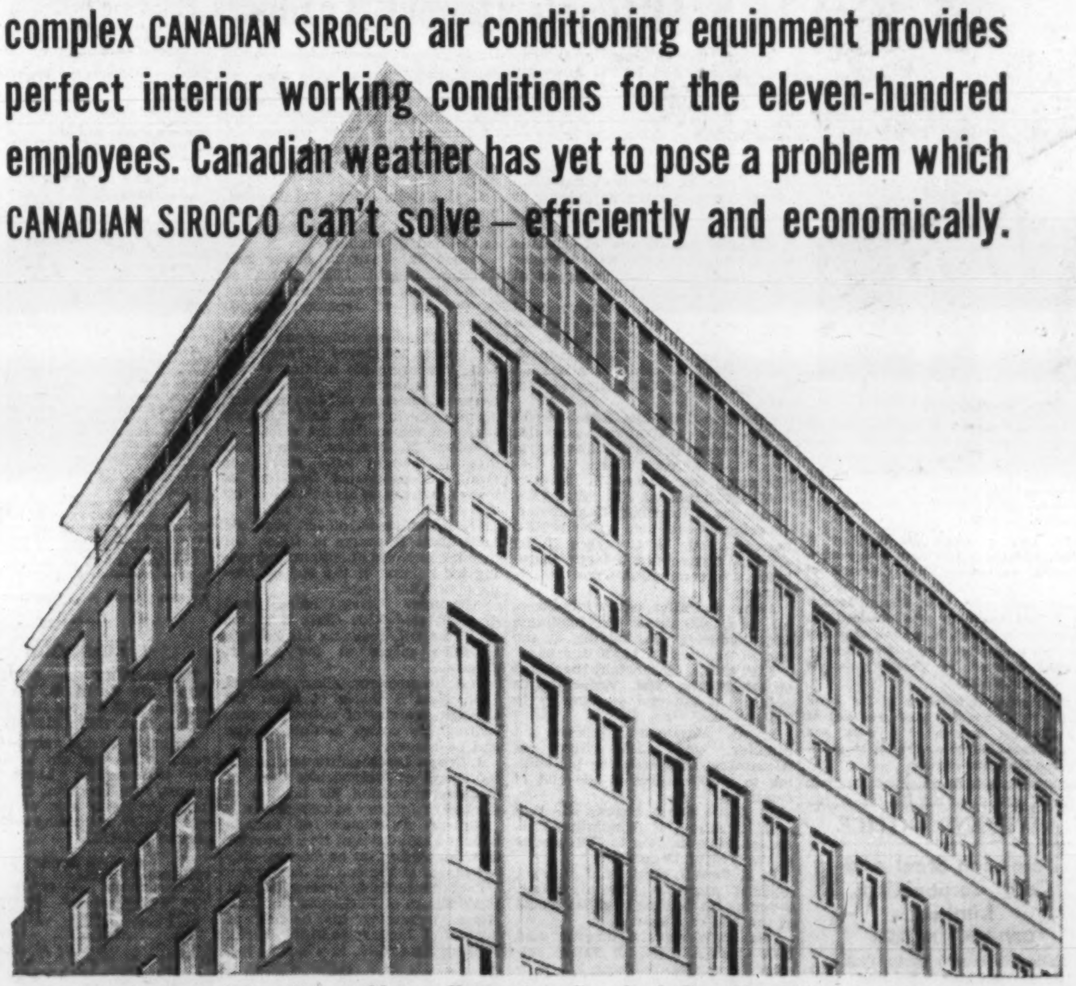
THE BELL TELEPHONE COMPANY OF CANADA

HAVE YOUR BANKING ARRANGEMENTS KEPT PACE WITH YOUR GROWTH?

When the successful conduct of a business has led to steady expansion, it is often advisable to re-assess your banking arrangements with a view to establishing them on a broader and more comprehensive basis. Such a broadening of banking interests can be advantageous in many ways: in credit matters, in collection facilities, in foreign exchange transactions, in overall financial stability. The Toronto-Dominion Bank would welcome the opportunity of discussing your banking procedures with you at any time.



This is the new Imperial Oil building in Toronto, Ontario—where direct sunlight (or lack of it) creates constantly changing extremes of temperature on the four exterior walls. Yet, highly complex CANADIAN SIROCCO air conditioning equipment provides perfect interior working conditions for the eleven-hundred employees. Canadian weather has yet to pose a problem which CANADIAN SIROCCO can't solve—efficiently and economically.



If you have an air handling problem, call American-Standard (Canadian Sirocco Products).

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Canadian Sirocco Air Conditioning Equipment is just part of the large range of products American-Standard makes for Canadian homes and industry. Others equally famous for quality and dependability include American-Standard Bathrooms and Kitchen units, Gurney Warm Air and Arcoleader Hot Water Furnaces, and Ross Heat Exchangers.

Urge U.S. Export Capital To Bolster Own Economy

"A stabilization policy must not rely solely on built-in cushions.

"The government must be prepared to act in order to prevent a serious drop in economic activities from developing into a full-scale downswing.

"The government has at its command tools for combating depression."

These are the contentions of Gerhard Colm and Theodore Geiger, of the (U.S.) National Planning Association, in their newly published "The Economy of the American People — Progress, Problems, Prospects."

Monetary and credit policy is the most readily available tool for influencing the economy, the authors say. But effectiveness of this tool is limited unless strengthened by corresponding changes in tax and government spending policies.

"Capital exports to foreign countries . . . could also be encouraged when domestic expansion slackens," the authors recommend.

"This would maintain the ability of foreign countries to buy in the U.S., and would support production in the export industries.

"During the 1930s, various countries — including the U.S. — tried to 'export' their unemployment by adopting import restrictions in order to protect their domestic markets.

"The consequences of this kind of restrictive policy were disastrous."

Dependence of the U.S. on imports is illustrated by the authors in the following table of U.S. raw material imports in 1955, expressed as a percentage of total available U.S. supply:

Food Products	
Bananas	100
Coffee	100
Tea	100
Tuna fish	56
Crude Rubber, Gums, and Resins	
Lac and shellac	100
Rubber, natural	100
Vegetable Products	
Copra and coconut oil	100
Quebracho extract	100
Textiles Fibres	
Jute	100
Raw silk	100
Sisal and manila	100
Cotton, long staple	58
Wool, unmanufactured	56
Wood and Paper	
Cork, unmanufactured	100
Newsprint	78
Nonferrous Ores and Metals	
Tin	100
Nickel	97
Bauxite and aluminum	76
Lead	56
Zinc	52
Nonmetallic Minerals	
Mica	96
Asbestos	94
Fluorspar	57
Ferrous Ores and Metals	
Chrome	92
Manganese ore	88
Tungsten	57

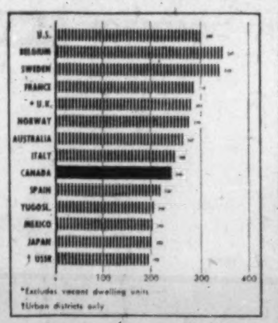
"While the U.S. has been blessed with raw materials, the depletion of these mineral resources, except for coal, gives little advantage to American processing industries compared with those of other countries.

"And, as consumption per capita of world population increases, the demand for raw materials will rise."

This demand, in the U.S., is high — 65% of U.S. imports consist of crude and semi-processed food and raw materials; 35% manufactured products. The division of its exports is the reverse — 65% manufactures, 35% raw materials.

One major domestic source of raw materials — the farm — is shown to be growing in size, although total acreage in farms is not.

Average size of "agricultural holdings" in the U.S. by 1950 had grown to 215.6 hectares (532.7 acres). This was larger than the average for any other country, and outranked Uruguay's average 199.7 hectares (493.5 acres) and Canada's 113.1 hectares (279.5 acres).



AVAILABLE HOUSING
Dwelling units per 1,000 inhabitants

Other yardsticks of national wealth and welfare tell a slightly different story. While the level of "nutritional adequacy" in the U.S. is "significantly higher" than in many areas of the world, average daily intake of calories per person is 3,100 in the U.S. — behind Denmark (3,370), U.K. (3,270), Australia (3,160) and Canada (3,120).

In dwelling units per 1,000 inhabitants, the U.S. with 303 ranks third, behind Belgium (347) and Sweden (342). Canada's average is 242.

In terms of life expectancy, the U.S. is just ahead of Canada. Life expectancy of males at birth in the U.S. is 67 years, compared with 66 in Canada, 67 in the U.K., 68 in New Zealand, and 71 in the Netherlands.

These figures, the authors observe, "bear out a fairly general recognition that American productivity and consumption are high and that they have moved steadily upward in recent decades."

Barbecued Snake Goes Well With Candied Grasshoppers

By RICHARD OGDEN

If you'd like something different to munch at with cocktails, why not try some Za Za insects fried in cottonseed oil?

This is just one of the species of the insect kingdom which are being served to Canadians.

It's all part of the flourishing business in Japanese imported insect foods which has been mushrooming in the last few months.

Most of these sell in the $1.50 to $2.50 range for one to three oz. size. At present the bulk of these are packaged in the U.S.

However, they have met with such success here that plans are being made to import them directly from Japan.

"Those chocolates were simply delicious, wherever did you get them," you ask your hostess.

"Oh, those, they're chocolate covered grasshoppers," she replies.

If you're planning a party there's a wide selection to choose from.

Perhaps, you'd like some barbecued snake meat in soya bean oil.

No?

Maybe some dragons' eyes, dried of course!

Don't go for all this fancy stuff?

Then why not try some salted whale skin?

Company Reports

Food

FANNY FARMER CANDY SHOPS INC., Rochester, N.Y., consolidated net profit of $468,025 for 1957 was 28% lower than 1956's $649,451.

Sales were a record $18,904,890 ($18,786,374 in 1956), says President Leonard D. Griffiths. Decrease in earnings resulted from higher costs in shop operations and adjustment in inventories.

Company contracted to open a new candy producing studio in Norwalk, Ohio, some time early this summer. This new studio will eliminate outgrown facilities in Detroit and Cleveland, and help expand production in the midwest. In addition it will offer a base to further sales in the surrounding states.

Steps have been taken to expand sales to outlets other than its own. Test marketing of its product through these sources will determine scope for future distribution activities. Plans call for immediate sale through retail agencies, department stores and other outlets.

Company plans to adopt self-service candy-selling techniques in a number of shops, as well as expand product line to include new candies, new assortments in newly designed packages.

Company opened 21 new shops, 11 located in new shopping plazas, twenty-four expiring leases in unproductive areas were not renewed.

Annual meeting is April 10.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
	$	$
Sales	18,904,890	18,786,374
Net earnings	778,900	1,196,930
Less: Tax reserve	310,875	547,479
Net profit	468,025	649,451
Less: Com. divds.	507,472	508,431
Surplus for year	▪39,447	141,020
Earnings per Share and Dividend Record:		
Com.: Earned	$1.38	$1.92
Paid	1.50	1.50
▪Deficit.		
Shares o/s at Dec. 31:		
Common, $1 par	338,300	338,300

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$1,368,845	$1,433,454
Acc. rec.	186,146	....
Invests. & accr. int.	135,555	135,555
Inventories	1,770,555	2,229,268
Total curr. assets	3,460,801	3,798,277
Prepd def. chgs.	100,523	215,367
Fixed assets*	5,169,162	4,796,672
Total assets	8,730,486	8,810,316
Accts. pay.	1,252,859	1,069,666
Taxes pay.	....	77,090
Total curr. liab.	1,252,859	1,146,756
Reserves	127,775	116,563
Tax reserve	320,240	477,938
Capital stock	763,822	763,822
Surplus	6,265,790	6,305,237
*After depr. of	4,510,259	4,282,115
Working capital	2,207,942	2,651,521

Chemicals

DOMINION TAR & CHEMICAL CO., Montreal, consolidated net profit of $6,560,586 for 1957 was 33.4% higher than 1956's $4,915,609.

Sales including the Howard Smith group of companies were $177,711,000 ($177,573,000 in 1956). Of total sales in 1957, building materials accounted for 25%, chemical processing 24% and pulp and paper 51%.

On May 31, 1957 **Howard Smith Paper Mills Ltd.** became a subsidiary as a result of an offer which was fully accepted to exchange 1,241,058 hares of Dominion Tar common for Howard Smith common on basis of 3½ shares for each share of Howard Smith. As a result, Dominion Tar now owns 53.5% of the outstanding common stock of Howard Smith compared with 33% the year before. Since Dominion Tar did not have a majority interest in earnings of the Howard Smith group of companies for the entire year 1957, Dominion Tar's equity in these earnings for the period is shown as a separate item.

Capital expenditures were $11,791,000 and present indications are they will be about the same in 1958.

Major items completed were a new soda mill bleachery and finishing room in the Cornwall division of Howard Smith, the new tunnel kiln at **Laprairie Brick** and the new **Brantford Roofing** plant at Lachine. Major items on which construction commenced was a new recovery furnace at Cornwall, and a new coal tar distillation plant at Hamilton. Sinking of the shaft at the new rock salt mine at Goderich was also commenced.

A substantial interest was acquired in the share capital of **Gypsum Lime and Alabastine, Canada, Ltd.,** amounting to 138,100 shares at Dec. 31, 1957, carried under investments.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Sales§	177,711,000	177,573,000
Net earnings‡	11,751,980	12,290,865
Less: Bond int.	805,352	896,172
Depr., depl. & amort.	3,150,000	2,750,000
Income tax	3,170,000	3,650,000
Equity in net of Howard Smith▲	1,986,816	......
Min. int. in subs.	52,858	79,084
Net profit	6,560,586	4,915,609
Less: Pref. divds.	300,000	300,000
Com. divds.	2,344,851	1,645,485
Surplus for year	3,915,735	2,970,124

▲Since acquisition of majority interest.
‡Includes discs. fr. Howard Smith (before acquisition of majority interest), amounting to $568,769 in 1957 and $346,257 in 1956.
§Including Howard Smith group of companies

	1957	1956
Times Bond Interest Earned:		
Before depr., depl. & amort.	†17.06	13.71
After depr., depl. & amort.	†13.15	10.65

†Includes equity in net of Howard Smith.

	1957	1956
Earnings per Share and Dividend Record:		
Preferred	$21.87	$16.39
Paid	1.00	1.00
Common	1.25	1.23
Paid	0.50	0.50
Shares o/s as at Dec. 31:		
Pref., $23.50 par	300,000	300,000
Common, n.p.v.	5,000,000	3,758,938

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	▪1957	1956
Cash	$3,933,292	$2,335,060
Tr. dep. & govt. bds.	638,600	......
Accts., etc., rec. less res.	24,297,530	10,373,227
Advances	5,551,716	......
Inventories	30,909,579	11,426,862
Total curr. assets	65,330,717	24,135,149
Amt. owing re stk. plan	......	250,841
Prep. exp.§	1,156,648	95,075
Invest.‡	▲5,578,205	26,993,064
Fixed assets*	84,714,403	23,386,065
Total assets	156,779,973	74,860,194
Bank overdraft	2,711,938	......
Accts. & tax. pay.	17,595,168	10,332,779
Other curr liab.	1,146,783	727,610
Total curr. liab.	21,453,889	11,060,389
Howard Smith pf. shs.	8,000,000	......
Min. int. in subsid.	26,812,187	490,509
Funded debt	32,430,000	18,127,000
Capital stock	37,584,254	27,208,893
Capital surplus†	11,638,728	3,028,223
Surplus	18,860,915	14,945,180
*After depr. of	79,494,246	18,270,818
‡Market value	▲	23,886,110

§Incl. in curr. assets in co.'s report.
†Excess of book value of net assets of subsidiaries over acquisition value in 1956; restatement of certain fixed assets in 1957.
▪Including Howard Smith group.
▲Includes $375,737 in shs. of Gypsum, Lime & Alabastine at mkt. val. of $3,659,650.

	1957	1956
Working capital	43,876,828	13,074,760

Financial

DEBENTURE & SECURITIES CORP. OF CANADA, Toronto, net profit of $135,357 for 1957 was 4.2% higher than 1956's $129,949.

Indicated market value of investments is substantially in excess of the $3.8 million balance sheet figures, says President H. E. Langford. Profit on sale of securities was $264,359, increasing capital surplus to $1,148,852.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Inc. from invests.	$229,391	$213,168
Less: Expenses	25,627	29,663
Loan interest	27,977	22,534
Bond interest	40,000	30,795
Taxes	430	227
Net profit	135,357	129,949
Less: Pref. divds.	40,000	40,000
Common divds.	......	43,460
Surplus for year	95,357	46,489
Earnings per Share and Dividend Record:		
Pref.: Earned	$16.92	$16.24
Paid	5.00	5.00
Com.: Earned	21.94	20.70
Paid	nil	10.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$77,943	$133,783
Investments	3,873,788	3,858,036
Total assets	3,951,731	3,991,819
Call loan (sec.)	200,000	600,000
Sundry liabs.	3,118	2,922
Pref. div. pay.	20,000	20,000
Funded debt	1,000,000	1,000,000
Capital stock	1,234,600	1,234,600
Capital surplus	1,148,852	884,493
Earned surplus	345,161	249,804

SHERATON CORP. OF AMERICA Feb. 28 had 4,938,743 shares outstanding.

U.S. Officials Report Trades

Among the changes in security holdings reported by the American Stock Exchange, covering reports filed during the week ended March 11, by officers, directors and large shareholders of companies listed on the exchange, were the following:

Canadian Petrofina Ltd., bought 2,100 shares of **Calvan Consolidated Oil & Gas** increasing its holding at the end of February to 4,453,080 shares.

General Petroleums of Canada bought 9,601 shares of **New Superior Oils,** increasing its holding as at Feb. 25, to 471,548 shares.

Paul Westerfield, director, sold 6,000 shares of **Northspan Uranium Mines,** reducing his holding as at Feb. 11, to 20,200 shares. **Kinloch Mines Ltd.,** in which he has an interest, held 12,000 shares at that date.

Canadian Petrofina Ltd., bought 1,200 shares of **Western Leaseholds Ltd.,** increasing its holding as at Feb. 21, to 6,759,632 shares.

Among the shares in security holdings reported by the U.S. Securities & Exchange Commission, covering reports filed with the SEC between Jan. 11 and Feb. 10 by officers, directors and large shareholders of companies, were the following:

James A. Dullea, officer and director, sold 1,000 shares of **Aluminium Ltd.,** reducing his holding at the end of January to 12,330 shares.

J. F. Evans, officer, sold 130 shares of **Aluminium Ltd.,** reducing his holding at the end of January to 500 shares.

E. G. MacDowell, officer and director, sold 1,500 shares of **Aluminium Ltd.,** reducing his holding to 37,430 shares at the end of January.

M. B. De Sousa Pernes, director, sold 300 shares of **Aluminium Ltd.,** reducing his holding to 5,003 shares at the end of December.

R. E. Powell, officer and director, sold 5,975 shares of **Aluminium Ltd.,** reducing his holding to 42,935 shares at the end of January.

Herbert W. Grindal, director, sold 1,000 Class A shares of **Bailey Selburn Oil & Gas,** reducing his holding at the end of January to 6,000 shares.

George H. Sellers, officer and director, held 13,001 shares of **Bailey Selburn Oil & Gas** at the end of January. A holding company in which he has an interest sold 6,595 shares, reducing its holding at the end of the month to 28,663 shares.

Canadian Petrofina Ltd. bought 700 shares of **Calvan Consolidated Oil & Gas,** increasing its holding to 4,450,980 shares at the end of January.

J. C. Hunsaker Jr., director, has received 36,522 shares of **Canadian Prospect Ltd.** in exchange for shares of **Canadian Export Gas,** increasing his holding at the end of January to 40,522 shares.

Milton H. Mandel, director, sold 2,500 shares of **Canadian Prospect Ltd.,** reducing his holding at the end of January to 25,500 shares. A partnership in which he has an interest holds 667 shares in the company.

C. C. Calvin, officer and director, bought 300 shares of **Dome Mines,** increasing his holding to 800 shares at the end of January.

James B. Redpath, officer and director, bought 1,000 shares of **Dome Mines,** increasing his holding at the end of January to 1,500 shares.

A. H. Meadows, officer and director, bought 200 shares of **Fargo Oils Ltd.,** increasing his holding at the end of January to 5,300 shares. **General American Oil Co.,** in which he has an interest, held 2,000,308 shares at the end of the month.

Robert M. MacRae, officer and director, bought 1,000 shares of **Granby Consolidated Smelting & Power,** increasing his holding at the end of December to 6,000 shares.

W. H. Atkinson, officer, acquired 1,250 Class B shares of **Home Oil** through exercise of options, increasing his holding at the end of January to 2,250 shares.

Alexander Clark, officer and director, sold 1,500 Class B shares of **Home Oil,** reducing his holding to 6,000 shares at the end of January.

J. A. Scrymgeour, officer, acquired 1,250 Class B shares of **Home Oil** through exercise of options, representing his entire holding at the end of January.

J. Ernest Laforce, director, bought 500 shares of **Molybdenite Corp. of Canada,** increasing his holding at the end of January to 3,500 shares.

General Petroleums of Canada bought 5,600 shares of **New Superior Oils,** increasing its holding to 461,947 shares at the end of January.

Paul Westerfield, director, bought 15,000 shares of **Northspan Uranium Mines,** increasing his holding at the end of January to 26,200 shares. **Kinloch Mines Ltd.,** in which he has an interest, held 12,000 shares at the end of the month.

Rio Tinto Mining Co. of Canada bought 200,000 common stock warrants attached to Series B general mortgage bonds of **Northspan Uranium** in November, 1957, and sold 50,000 of the same warrants in December. At the end of the year the company held 370,000 Northspan warrants.

William H. Farrand, officer, sold 450 shares of **Scurry Rainbow Oil,** reducing his holding at the end of January to 500 shares.

Canadian Petrofina Ltd., bought 700 shares of **Western Leaseholds Ltd.,** increasing its holding to 6,758,432 shares at the end of January.

ANNOUNCEMENT

DR. ROGER GAUDRY

Ayerst, McKenna & Harrison Limited announce the election of Dr. Roger Gaudry as a Director of the company, following his recent appointment as Director of Research with the full responsibility for the execution of the company's research programs.

Dr. Gaudry joined the company in 1954, bringing with him a distinguished scientific background. A graduate of Laval University in Quebec City, he did postgraduate work as a Rhodes Scholar at Oxford University. He obtained his Doctorate in Science in organic chemistry from his Alma Mater, and later was appointed Professor of Chemistry in the Faculty of Medicine.

Dr. Gaudry is a Fellow of the Royal Society of Canada, a past president of the Chemical Institute of Canada, and has authored numerous articles in chemical and biological journals.

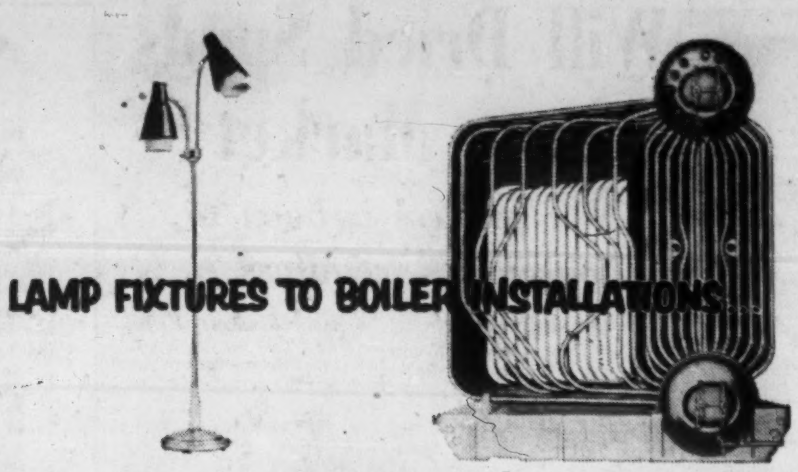
DIVIDEND NOTICE

Dominion Steel and Coal Corporation, Limited

DIVIDEND NOTICE

Notice is hereby given that a regular quarterly dividend of twenty-five cents (25c) per share on the outstanding Ordinary shares without nominal or par value of the capital stock of this Corporation has been declared for the quarterly period ending March 31st, 1958. Such dividend to be payable on April 28th, 1958 to shareholders of record at the close of business on March 28th 1958.

By Order of the Board,
G. C. BROADBENT,
Vice-President and Secretary.
Montreal, P.Q.,
March 14, 1958.



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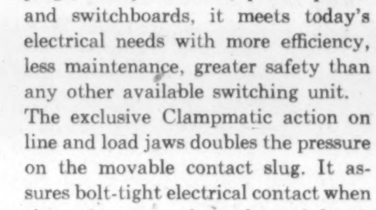
guarantees positive switching, longer switch life

For quick-make, quick-break action . . . *absolute switching security* . . . you can't beat BullDog's Clampmatic Control switch unit. Featured in BullDog bus plugs, safety switches, power panels and switchboards, it meets today's electrical needs with more efficiency, less maintenance, greater safety than any other available switching unit.
The exclusive Clampmatic action on line and load jaws doubles the pressure on the movable contact slug. It assures bolt-tight electrical contact when charged . . . and accelerated break when de-energized. The result is cooler operation which provides long and trouble-free switch life. In addition, the Vacu-Break enclosing head smothers arcs, minimizes pitting and burning of contacts.
Get positive switching security with BullDog Clampmatic control. For complete details consult your electrical contractor or BullDog sales engineer or write BullDog Electric Products Co., (Canada) Ltd., Toronto 15, Ontario.

The BullDog sales engineer demonstrates large scale model of Clampmatic principle shown at left. Clampmatic-controlled switch units include (top to bottom): Vacu-Break Bus Plug, Safety Switch and units for switchboards and panelboards.



"Off" position; switching to "on"; "on" position—Clampmatic Control assures bolt tight contact, quick-break action. Circuits open with minimum arcing.

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Head Office and Factory, Toronto 15, Ontario
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U. S. Speculates On Our Election

More interest than ever in who will win . . .

From Our Own Correspondent

WASHINGTON — There is more U. S. interest in the coming Canadian election than ever before.

Newspapers across the country have been writing editorials and in Washington government officials are well aware of the campaign going on north of the border.

This is not to say that Americans are hanging on to every word of campaign oratory.

But certainly this is the first Canadian election where most intelligent Americans know the names of both the prime minister and the leading opposition candidate.

They, of course, do not know the issues at stake in the election but many have a vague idea that Mr. Diefenbaker wants to do more trading with the U. K.

In the State Department, the election campaign is being watched particularly closely.

As the New York Times commented the other day: "The fact is that the new Conservative government of Prime Minister John Diefenbaker has been cooler toward Washington than its Liberal predecessors over the last quarter century.

"Many at State feel the Conservatives are more skeptical toward Washington, are overly concerned about U. S. economic penetration of Canada and are moving toward greater emphasis on trade with Britain.

"Washington, on the other hand, now is more interested than ever in warm ties to Ottawa. For one reason, it now regards Canada rather than Western Europe as the probable first avenue of any Soviet attack and feels the need for increased intra-U. S. co-operation.

Elsewhere in the Administration, even Agriculture Secretary Ezra Taft Benson is aware of the election in Canada.

He told the House Ways and Means Committee the other day that the election probably has a lot to do with Canadian complaints about the U. S. surplus disposal programs.

Hear More

He said he thought most of it started at the last election and that he will be hearing more during this election campaign.

In Congress, Representative Hale Boggs has commented that he thinks the U. S. surplus disposal programs played a part in the Liberal defeat in the June election.

The Senate Foreign Relations Committee, which will hold a study on Canadian-U.S. problems, has discreetly decided to hold off the study until the election is over.

The study might have been after March 30 anyway, but now it will be for sure.

In an editorial on the Canadian election, the New York Times said recently: "With few exceptions Americans are not going to have a preference in the Canadian general elections of March 31, but all of us ought to be greatly interested.

"Perhaps there are some U. S. businessmen worried over the avowed intention of the Progressive Conservative leader — Premier John Diefenbaker —to shift as much trade as possible from the U. S. to Great Britain.

"Generally speaking, it can make more difference to Americans whether the Conservatives or Liberals win than it does to Canadians whether the U. S. has a Republican or a Democratic President.

"Where Americans used to enjoy twisting the British Lion's tail, Canadians now enjoy the process of plucking feathers from the American Eagle's tail.

"This does not alter the fact that Canada and the U. S. could not exist without each other and that we are more closely intermingled than any other two democratic nations on earth."

The Philadelphia Bulletin says, "What we have to hope for south of the border is that north of it the political knifing of the next two months won't leave wounds in the body of Canadian-U. S. relations.

"It will be an excellent period for our officials and Congressmen to hold their tongues and dwell on any inequalities that may exist with a view to ironing them out in traditional friendship."

May Be Reverse

"It may be," speculates the Spokane Spokesman - Review, "that the Conservative government's economic policies, including its handling of economic relations with the U. S., will reverse the result of last year's election."

The Washington Post says: "Few observers now seem to expect a return of the Liberals. Sportsmanship in Canadian politics usually calls for giving a government a fair chance before it is ousted.

"The Conservatives, who came to power only last June after 22 years of Liberal government, have scarcely had that chance."

"There seems to be a good chance that the Conservatives will win the election," says Iron Age.

"If they do, the whole course of U. S. relations with Canada may take quite a different turn from what it has been in recent years."

The Cleveland Plain Dealer says: "Pearson will . . . preach continued close relations with the U. S.

"Diefenbaker, on the other hand, wants close ties to continue but he plans to switch 15% of Canada's trade from the U. S. to Britain because of the diminution in U. S. investment in Canada.

"The tide as the campaign opens is with the Conservatives."

"Strictly speaking, of course," says the Detroit News, "the internal affairs of our northern neighbor are none of our business.

"The two nations are so intertwined economically, however, that the election outcome will have an impact on our own affairs.

"For that reason, if no other, the Canadian campaign deserves attention."

HOW TO INVEST

From Our Own Correspondent

SAINT JOHN — A six-week course is being held here on the subject of "how to invest your money in securities." Backing the series of lectures is the New Brunswick education committee of the Investment Dealers Association of Canada in co-operation with the extension department of the University of New Brunswick.

SEEKS CANADIAN FLIGHTS

Capital Airlines, Washington, D.C., is seeking to establish non-stop flights between Toronto and Buffalo, Pittsburgh, and Miami; also between Montreal and Buffalo, Detroit and Chicago. Company has asked the U. S. Civil Aeronautics Board to start discussions with the Canadian Government.

Unlisted Mines, Oils

(By Brokers-Dealers Assoc. of Ont.)

Approximate quotations, 3.30 p.m., March 17, subject to confirmation and change. An asterisk (*) indicates an increase in price; a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
Abbican	†8	10	Lun Ec	24	27
Abeta	7	8	Lynwth	5	7
Aconic	†90	100	Magoma	2	4
Acn vt	†68	73	Main O	*17	19
Advance	6	7	Manecho	4	6
Alexander	*6½	7½	Mal RL	4	6
Ama Kir	3	4	Mar Bd	†7	9
Anabar	2	4	Mat Can	5	7
Anamaq	1½	2½	Maree	1½	3
Anuwon	3½	5	Mate Yel	5½	7
Arctic	2½	3	McCuaig	2	3
Barima	10	12	McFinly	4½	5½
Beacon	4	7	Miles RL	*2	3
Belfast	†4	5	Millkirk	5	8
B Jck P	3	5	Mindust	*45	60
B Grass	3	4	Mirado	9	11
B McDad	8	10	Mt Keno	1½	2½
Bour C	1	3	Montco	3	5
Braceq	6	9	Murk F	10	15
Bramince	8	10	Murmac	2	3
Bright	2	3	Mury M	†20	22
Bruce P	8	10	Nat Nw	9	11
Brunette	3	5	Nasco	3½	4½
Camdeck	2	4	Nw Met	4½	6
Camlareu	3½	4½	Nw Aug	3½	4½
Camp I	7	9	N Inaco	5	7
Camray	1	3	N Redwd	3	5
Can Rad	14	17	New Wal	1½	2½
C All M	2	4	Nickel I	3	5
Cn Man	5	7	Nickel O	*3½	5
Cnt Hill	6	8	Nicoba	5	7
Caral	—	20	Nipiron	13	16
Chellew	3	4	Norcourt	1	2
Clinger	3	4	Norbeau	60	70
Clix	3	4	Norford	1	3
Columbr	1½	2½	Normar	1	3
Columbin	1	2	Ocean	100	110
Comstock	3	5	Oklend	5	6
Con Cop	13½	15	O'Rare M	8	10
Con Hrp	4½	5½	Orofina	8	9
Gan Cop	5	6	Ortona	2	3
Conecho	4	6	Pacemkr	5	7
Crack S	4	6	Pascalis	12	15
C Vauze	†24	26	Pax nw	30	40
Cordell	4	6	Payne	1	3
Craibbe	†14	16	Peach	800	900
Croydon	2	3	Pelangio	1½	3
Derlac	*3	5	Pickering	5	6
Desmont	½	1	Picton	3	4
Despina	3	4	Pine P	725	775
Destrad	1	2	Pitchvein	4	6
Dom Ex	6	9	Plum N	30	40
Dunvegn	3	4	Quejo	6	8
Durham	2½	3½	Quest	1	3
East Lun	1	3	Raglan	†42	46
Echo Ind	1	3	Rand M	5	7
E Bon	*3	4	Red Erk	3½	5
Farcroft	2	4	Redcon	†4	6
Flicka	2	3	Redruth	1	3
Forty Fr	20	35	Rhyolite	½	1½
G Chib	—	20	Richgrup	4	6
Gan Cop	5	6	Rio Ti	155	165
Gateway	3	4½	Romar	5	10
Glenbck	4	5	Rugged	2	3
Glencona	1	2	Russet	3	5
Glen Ec	4	6	Salmita	2½	3½
G Harker	8	11	Sheldon	9	11
Gord Lab	½	1½	Sladen Q	60	80
Gldman	2½	3½	St Mary	†18	20
Goldyke	1	3	Slate By	3	4
Gov Gold	3	5	Snow L	3	4
Grd Chb	30	45	Starlight	5½	7
Hedwtr	—	30	Sn Bear	2	3
HG Yng	*18	21	Surpass	†35	38
Hornfelt	†8	10	Th'crest	5	7
Hot Min	2	4	Tower	3	5
Hubt L	9	11	Tresdor	15	16
Hudn U	—	30	U Ridge	5	7
Hucamp	4	6	Ungay C	4	6
Independ	6	7	Viking	7	9
Jamaica	4	7	Wadge	2	4
Jean Lk	8	10	Wesley	5	6
Jerome	4	7	West R L	3	4
Kamlac	7	9	W Wasa	2	4
KB Mng	5	7	Y David	14	16
Kenda P	1	2½	OILS		
Kenog	6	8	B C Oil	225	275
Kerr L	*123	127	C Delhi	675	700
Laronge	3	5	C Sup	1825	1900
Lrndona	4	6	G C Gras	†32	35
Laroma	3	4	Harvest	†19	22
Larum	5	7	Kroy Ol	51	54
L Expan	5½	6½	Long Pt	*60	65
Lake R	7	10	O Smoky	2½	3½
Lassie	9	11	Sbmrin	†63	67
Lwr Can	1	3			

Public Utilities

SHAWINIGAN WATER & POWER CO., Montreal, net profit of $12,515,060 for 1957 was 10.2% higher than 1956's $11,355,083.

Revenue from power sales reached a new high of nearly $58 million, says President J. A. Fuller. Sales to large industrial users leveled off in rate of growth but sales to other industrial, commercial and residential customers and to some other distributors continued to increase.

Company's distribution business and sales to other distributors now account for 54% of total power revenue.

Hydraulic conditions were good with water in storage about 150% of the long-term revenue.

Although sales increased, the business of **Shawinigan Chemicals Ltd.** was adversely affected by increased costs, inability to improve selling prices, and premium on Canadian dollar. Some improvement is anticipated in 1958

Shawinigan Engineering Co. carried a large volume of work into 1958.

Company made an offer to **Power Corp. of Canada** and all other common shareholders of **Southern Canada Power Co.** to acquire their holdings in the latter company in exchange for class A common shares of Shawinigan. As a result Shawinigan now owns 97% of Southern Canada Power Co. common shares. Results of the closer integration of the two power systems are already apparent, company says.

Capital expenditures totaled $38,246,000, a large part of which was spent on the Beaumont generating station and ancillary transmission line to Trois-Rivieres. This station will come into operation late in 1958.

Company sold $20 million 5½% convertible debentures in October, and split its class A and common shares three-for-one.

Capital expenditures are expected to total $34.3 million in 1958 and $95 million in the next five years.

Revenue from sales of power to large industrial customers was up 3.1% over 1956, to other utilities up 6.3% and to residential, farm, commercial, municipal and industrial customers 11.3%.

Dividends received from subsidiary and other companies totaled $2,655,063 ($1,744,311 in 1956).

Operating expenses were up 12.6%. Amount paid for power purchased was $9,101,656, up 23.5%.

Company purchased the municipally owned distribution systems in Terrebonne and East Broughton Station, and the privately owned system in Vimy Ridge.

A total of 11,096 new customers were connected bringing total up to 242,855 at year-end. The total served by the whole Shawinigan system, including 117,512 served by Quebec Power and 83,708 by Southern Canada, amounted to 444,075.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1957 $	1956 $
Power sales	57,920,744	54,165,954
Net earnings	29,565,466	28,706,632
Add: Divds. for subs. & other cos.	2,655,063	1,744,311
Less: Deprec.	7,471,000	7,066,000
Int. chgs.	5,006,469	4,299,860
Inc. taxes*	7,228,000	7,730,000
Net profit	12,515,060	11,355,083
Less: Pref. divds.	1,025,000	1,025,000
Class A divds.	657,692	......
Com. divds.	4,907,202	4,368,955
Surplus for year	5,925,166	5,961,128

*Taxes payable for the year were $5,651,000 in 1957 and $6,398,000 in 1956; the excess charged to accts. results from claiming additional depreciation for tax purposes not included in the accounts.

Times Interest Earned:		
Before deprec.	6.44	7.08
After deprec.	4.94	5.44
Earnings per Share and Dividend Record:		
Preferred	$25.03	$22.71
A pref. paid	2.00	2.00
B pref. paid	2.25	2.25
A com. (new): Earn.	20.22	....
Paid	§0.33⅓	....
Com. (new): Earned	1.48	....
Paid	§0.17	....
Class A (old): Paid	2.00	
Common (old)	....	4.25
Paid	1.45	1.80

§One quarterly payts. only made on new shs. following 3-for-1 stk. split in Oct., 1957.

Shares o/s as at Dec. 31:		
Ser. A pref., $50 par	400,000	400,000
Ser. B pref., $50 par	100,000	100,000
Cl. A com., n.p.v.	568,617	......
Common, n.p.v.	▲7,288,241	2,428,797

▲New stk. financing 3-for-1 split.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$1,928,872	$1,908,409
Investments†	14,299,298	20,844,739
Accts. & bills rec.‡	6,128,831	5,954,257
Mat. & supplies	2,684,642	2,726,800
Total curr. assets	25,041,643	31,434,205
Prep. chgs.§	1,300,472	1,240,205
Unamort. disc., etc.	3,582,651	3,263,534
Fixed assets	▲272,150,475	322,754,621
Sub. sec., etc.	32,937,114	18,252,121
Total assets	335,012,355	376,944,686
Accts. & tax. pay.	7,618,110	9,462,683
Bd. int. & div.	2,671,114	2,734,618
Total curr. liab.	10,289,224	12,197,301
Adv. re constr.	2,471,410	2,648,018
Deferred inc. tax	7,484,700	5,907,700
Funded debt	160,620,500	142,390,500
Water stor. equal. res.	1,492,000	1,492,000
Conting. res.	500,000	500,000
Deprec. res.	▲	80,702,438
Capital stock	118,862,292	103,660,364
Surplus	33,292,229	27,446,365
†Mkt. value	14,354,185	20,850,835

§Included in curr. assets in co.'s report.
‡After prov. for doubtful accts.
▲Depreciation of $87,446,041 deducted from fixed assets in 1957.

Working capital	14,752,419	19,236,904

Pulp and Paper

CROWN ZELLERBACH CANADA LTD., Vancouver, consolidated net profit of $5,940,558 for 1957 was 37% lower than 1956's $9,440,660.

Sales were down 1%, says President P. T. Sinclair. Rising costs, a strike which shut down two mills for six weeks, and depressed lumber and plywood markets, reduced earnings.

Company's major expansion and modernization program was completed with the exception of final installation of No. 2 paper machine at Elk Falls.

Introduction into newsprint manufacture of bleached kraft pulp now produced at Elk Falls bleach plant helped reduce manufacturing costs. New production records were set at No. 1 newsprint machine at Elk Falls and on No. 1 newsprint and No. 3 kraft machines at Ocean Falls.

Dollar sales of converted paper products and paperboard boxes made at the new Richmond division increased.

Company reduced quarterly dividend on ordinary shares from 25c to 12½c.

Company feels 1958 will continue to see the tight profit squeeze continue and also more strenuous competition in all markets, but feels confident of steady over-all growth despite temporary recessive periods.

Company launched a new line of toilet tissues, table napkins, household towels, wax papers and bags.

The Fraser Mills lumber, plywood and shingle mills cut back output below 1956. Plywood plant labor force was reduced two-thirds toward end of year.

Total production of paper, paperboard and kraft pulp for sale was a record 337,371 tons, up 15.8%.

Total wood harvested from company managed lands was 285.4 million bd. ft., and 283,320 units of wood chips.

CONSOL. INCOME ACCOUNT

Years ended Dec. 31:	1957	1956
Net sales	$78,788,779	$79,474,192
Net earnings	14,237,848	19,797,914
Less:		
Debt int.	1,338,773	648,012
Bd. disc. & exp.	22,949	23,908
Depr. & amort.	3,334,609	3,852,062
Depletion		695,968
Income tax	1,600,959	5,137,304
Net profit	5,940,558	9,440,660
Less: Pref. divds.	119,934	119,934
Com. divds.	6,515,731	3,700,316
Surp. for year	*695,107	5,620,410

*Loss or deficit.

Note—Co.'s reports show net profit of $9,924,219 for 1956, including profit on sale of capital assets.

Earnings per Share and Dividend Record:		
Preferred	$297.19	$472.29
Paid	6.00	6.00
Ordinary ($2)	0.78	1.25
Paid	0.87½	0.50
Shares o/s at Dec. 31:		
6% pref. $100 par	19,989	19,989
Ordinary, $2 par	7,446,550	7,446,550

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$6,222,445	$5,153,754
Accts., etc., rec., less res.	5,706,582	7,645,423
Inventories	23,824,338	26,053,907
Total curr. assets	35,753,365	38,853,084
Prepaid exps.†	729,998	487,241
Def. chgs.	971,235	772,957
Misc. assets	772,991	885,709
Fixed assets*	74,806,898	61,453,679
Timberlands‡	24,195,498	18,838,490
Leases, etc., less w/o	2,464,251	2,539,251
Total assets	139,694,236	123,830,411
Bonds pay.	954,000	918,500
Accts., etc., pay.	7,544,343	7,945,421
Taxes pay.	115,900	1,980,468
Total curr. liab.	8,614,243	10,844,389
Long-term debt	31,496,578	12,707,500
Capital stock	16,892,000	16,892,000
Capital surplus	8,823,876	8,823,876
Earned surplus	73,867,539	74,562,646
*After depr.	47,521,889	44,285,770

†Included in curr. assets in co.'s report.
‡After depletion and amortization.

Working capital	27,139,122	28,008,695

HOWARD SMITH PAPER MILLS LTD., Montreal, consolidated net profit of $6,689,870 for 1957 was 5.7% lower than 1956's $7,089,130. The 1957 profit includes $624,028 from sale of fixed assets.

Net sales were down 1% to $103,013,041 from 1956's $104,437,815, say Chairman H. Roy Crabtree and President D. S. Abbott.

Increased costs for labor and freight could not be recovered by minor price increases on some products, or improvements in operating efficiency.

Higher discount on U. S. funds, which averaged 4.2% in 1957 (1.7% in 1956) also reduced income.

Business dropped during last half of year.

Sales in fine and specialty papers increased slightly. Export pulp sales were down, especially in latter half of year, as were newsprint and kraft paper sales. Laminates ("Arborite") were up despite lower activity in the building industry, due to their greater acceptance and utilization for home renovations and other new applications, whereas wallboard showed a reduction.

The $5.5 million working capital improvement is largely due to sale of physical assets of **Crabtree Mills** division for $4 million to **Westminster Paper Co.**

Indications are that total demand for company's production in 1958 will be maintained at 1957 levels.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1957 $	1956 $
Sales	103,013,041	104,437,815
Net earnings	17,144,403	20,395,362
Less: Depr. & depl.	4,818,157	5,220,285
Bond interest	566,282	625,081
Tsf. to invent. res.	......	500,000
Res'ch exp. w/o	......	52,737
Inc. tax	5,660,006	6,850,000
Min. divds.	......	15,870
Min. equity in prof.	34,116	42,259
Prof. sale of f.a.	624,028	......
Net prof.	6,689,870	7,089,130
Less: Pref. divds.	320,000	320,000
Common divds.	2,091,300	2,614,125
Surplus for year	4,278,570	4,155,005
Times Interest Earned:		
Before depr. & depl.	30.28	32.63
After depr. & depl.	21.77	24.28
Earnings per Share and Dividend Record:		
Preferred	‡$41.81	$44.31
Paid	2.00	2.00
Common	‡3.66	3.88
Paid	1.00 + 0.20	1.00 + 0.50

‡Includes profit on sale of Crabtree Mills and other misc. f.a. of $624,028; amounting to 36 cents per common share.

Shares o/s as at Dec. 31:		
Pref. cum. red., $50 p.v.	160,000	160,000
Common, n.p.v.	1,742,750	1,742,750

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$3,933,292	$2,107,496
Trust dep., etc.	638,600	......
Accts. rec. less res.	15,162,154	12,236,272
Life ins., c.s.v.	......	84,177
Inventories	23,592,609	22,197,456
Total curr. assets	43,326,655	36,625,401
Prepaid exp.*	507,363	562,029
Funds set aside	......	4,138,600
Investments	1,592,080	1,596,085
Misc. assets	......	194,974
Fixed assets†	43,985,605	45,488,828
Total assets	89,411,703	88,605,917
Accts., etc., pay.	6,309,407	7,976,532
Taxes pay.	3,186,087	4,027,469
Bonds due	......	795,000
Total curr. liab.	9,495,494	12,799,001
Funded debt	15,816,500	15,897,500
Reserves:		
Contingencies	......	515,400
Inventories	......	2,000,000
Min. int.	309,780	398,057
Capital stock	17,755,074	17,755,074
Capital surplus	‡	991,900
Earned surplus	46,034,855	38,248,985
†After deprec. of	64,314,270	60,433,374

*Incl. under curr. assets in co.'s report.
‡Transferred to earned surplus.

Working capital	33,831,161	23,826,400

INTERNATIONAL PAPER CO., New York, consolidated net profit of $78,387,891 for 1957 was 9.5% lower than 1956's $86,628,013.

Total sales were $940.4 million, down 3% from record $969.6 million in 1956, reports Chairman John H. Hinman. Total production of paperboard, paper and market pulp was 4,558,055 tons, down 4% from record of 4,744,496 tons in 1956.

In the paper making and converting divisions, dollar sales volume was maintained but rising costs affected profits. In the building materials division, drop in profits was more acute, reflecting price weakness and lower sales volume as well as higher costs.

Capital expenditures by Canadian subsidiaries in 1957 totaled $5,661,500.

Company's Canadian subsidiaries made no major additions to paper mill capacity in 1957, and have none pending for 1958.

However, the final phase of the La Tuque, Que., modernization program was completed last year when the 115,000-ton board machine installed in 1956 began producing bleached kraft board in addition to unbleached grades.

Research programs continued toward increased use of new wood species new paper products and uses and better manufacturing techniques.

At Toronto **Canadian International Paper Co.'s** subsidiary **Hygrade Containers Ltd.** began production in May. This is Hygrade's third shipping-container plant.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1957 $	1956 $
Net sales	940,427,371	969,618,438
Net earnings▲	199,503,250	222,472,850
Less: Depr. & depl.	50,365,454	47,838,250
Inc. tax res.	70,749,905	88,006,587
Net profit	78,387,891	86,628,013
Less: Pref. divs.	912,800	920,000
Com. divds.	36,784,535	33,693,820
Long-Bell stks.	......	2,487,791
Surplus for year	40,690,556	49,526,402
▲Incl. for exch. loss of	4,829,336	1,353,390
Earnings per Share and Dividend Record:		
4% Preferred	$346.24	$376.64
Paid	4.00	4.00
Common	6.18	7.06
Paid†	3.00	3.00

†Plus stock dividend of 3% in 1957 and 1956.

Shares o/s as at Dec. 31:		
4% Pref., n.p.v.	228,400	230,000
Com., $7.50 par	12,545,371	12,155,162

CONDENSED CONS. BALANCE SHEET▲

As at Dec. 31:	1957	§1956
Cash & govt. secs.	$63,554,279	$54,730,782
Accts. rec. less res.	62,084,232	65,787,117
Inventories	133,358,279	138,467,736
Total curr. assets	258,996,790	258,985,635
Def. assets & exps.	12,837,660	13,983,528
Prep. pwr. rentals	3,671,026	4,788,610
Investments	9,867,054	9,848,687
Cap. exp. fund	17,869,400	22,247,600
Plants & props.▪	396,588,142	353,003,598
Woodlands	102,390,562	102,622,070
Total assets	802,220,634	765,479,728
Accts. pay.	40,662,858	42,586,730
Accr. tax., etc.*	27,453,355	30,146,275
Total curr. liab.	68,116,213	72,733,005
Reserves	15,293,634	15,492,541
Capital stock	116,730,282	114,163,715
Cap. re pf. conv.	40,430,070	40,430,070
Capital surp.	256,291,773	227,666,083
Surplus†	305,358,662	294,994,314
▪After depr. of	381,762,576	346,612,003
*After deduct. U.S. sav. notes of	47,835,863	63,509,797

†Of which $18,000,000 is approp. for inventory price adjustment.
▲U. S. funds.
§Includes accounts of the Long-Bell Lumber Corp. and the Long-Bell Lumber Co. which were merged with Int. Paper Nov. 5, 1956.

Working capital	190,880,577	186,252,630

Company Reports

Hospital Supplies

FISHER & BURPE LTD., Toronto, consolidated net profit of $84,469 for 1957 was 0.8% higher than 1956's $83,763. These profit figures do not include profits on sale of fixed assets of $20,118 and $2,381 in 1957 and 1956, respectively.

A substantial profit was realized through sale of a marginal asset, its St. Boniface surgical support franchise and factory, says President R. W. Finlayson.

The surgical supply business is extremely competitive but company has maintained its position, the president says.

The Quebec subsidiary had a successful year.

The **W. Lloyd Wood Co.** experienced a difficult though prosperous year.

The sales agency business has wide fluctuations in sales, and company says its decision to stabilize earnings through acquisition of complementary companies as in the case of **Alfred Dunhill of London Ltd.** proved sound.

Since 1950 sales and profits have increased three-fold. Western sales which represented practically all of company's sales now equal about 30% of total volume.

The Dunhill subsidiary is being expanded through promotion of exclusive products. The Wood Co. recently purchased **Palmers Ltd.** of Montreal. The latter company is in the cosmetic and toiletry field. This purchase will give company a number of lines which should add to consolidated profits.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Net earnings	$171,490	$150,490
Less: Deprec.	18,886	18,191
Inc. taxes	58,758	35,874
Interest	9,377	12,662
Net profit	84,469	83,763
Less: Cl. A divds.	12,907	12,907
Cl. B divds.	14,980	29,960
Cl. C divds.	......	498
Surplus for year	56,582	40,398

Note—Co.'s report shows net profit of $104,587 in 1957 and in 1956 including profit on sale of fixed assets.

Earnings per Share:		
Cl. A: Earned	$5.24	$5.19
Paid	0.80	0.80
Cl. B: Earned‡	1.43	1.42
Paid	0.30	0.60
Cl. C: Earned	......	1.64
Paid	......	0.01

‡Based on shs. o/s at year-end.

Shs. o/s at Dec. 31:		
Cl. A, n.p.v.	16,133	16,133
Cl. B, n.p.v.	49,934	49,934
Cl. C, $1 par	......	24,942

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$3,675	$11,602
Accts. rec. less res.	530,312	546,057
Life insur., c.s.v.	6,725	4,395
Inventory	555,515	649,516
Total curr. assets	1,096,227	1,211,570
Prep. exp.§	12,181	9,020
Goodwill	26,046	26,046
Fixed assets‡	78,173	90,466
Total assets	1,212,627	1,337,102
Due bank	226,927	381,929
Taxes, etc., pay.	302,500	255,670
Total curr. liabs.	529,427	637,599
Loan & debs.	125,000	180,000
Mtge. pay.	21,299	30,923
Capital stock	221,233	246,175
Capital surplus	149,562	124,620
Earned surplus	166,106	117,785
‡After depr. res.	111,400	130,910

§Incl. in curr. assets in co.'s accounts.

Working capital	566,800	573,971

Financial

PRUDENTIAL FINANCE CORP., London, Ont., net profit of $30,430, for 1957 was 18.2% higher than 1956's $25,740.

INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Total income	$170,369	$156,416
Less: Expenses	91,763	90,866
Depreciation	2,759	2,711
Int. & bk. chgs.	26,767	24,461
Inc. taxes	18,650	12,638
Net profit	30,430	25,740
Less: Dividends	15,783	12,955
Surplus for year	14,647	12,785
Earnings per Share and Dividend Record:		
6% Pref.	$6.54	$5.53
Paid	3.90	3.90
Part. pref. & com.	2.46	1.52
None paid		
Shares o/s at Dec. 31:		
6% Pref., $65 par	4,655	4,655
Partic., n.p.v.	3,800	3,800
Common, n.p.v.	1,200	1,200

CONDENSED BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$12,596	$22,496
Retail sls. contracts*	879,006	815,150
Share subsc. rec.	......	60,726
C.s.v., life ins.	3,875	3,225
Total curr. assets	895,476	901,597
Mtges. rec.	......	4,000
Organ. exp	23,810	15,399
Real estate for sale	3,950	3,950
Goodwill	1	1
Fixed assets	7,899	7,785
Total assets	931,136	932,732
Accts., etc., pay.	24,699	29,608
Bank loan	400,000	440,000
Divd. pay	8,169	6,773
Inc. tax	10,550	10,238
Debent. pay.	20,000	......
Total curr. liab.	463,418	486,619
Deferred liabs.	87,807	80,474
Capital stock	305,720	305,720
Surplus for cap. reorg.	1,235	1,235
Earned surplus	72,956	58,684
*After res. for losses	48,638	44,169
Working capital	432,058	414,978

$342,056 for 1957 was 8.1% higher

SIMPSONS LTD. has issued an additional 1,551 common shares under an employees' stock option plan, raising the number of shares outstanding as at March 13 to 3,001,551.

Automotive

AUTO ELECTRIC SERVICE CO., Toronto, consolidated net profit of than 1956's 316,353.

Sales were a record, up [illegible]% says Chairman George J. Beattie.

A deduction of $10,105 from earned surplus was made for payment of a re-assessment on prior year's income tax. An appeal against this re-assessment has been filed with the Income Tax Appeal Board.

Net earnings for 1957 include a possible non-recurring profit of $53,532 and a possible non-recurring expense of $36,883.

Merchandise inventories increased 26% over 1956 year end figures and include advance shipments for 1958 sales.

An amount of $6,035 was spent for new addition at Toronto. Vancouver subsidiary established a branch in Kamloops, B.C.

Company believes conditions will be favorable in 1958.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1957	1956
Net earnings	$716,161	$649,652
Less: Deprec.	40,250	32,377
Interest	20,762	22,509
Prov. for taxes	313,093	278,413
Net profit	342,056	316,353
Less: Cl. A divds.	1,332	1,680
Com. divds.	127,154	123,482
Surplus for year	213,570	191,191
Earnings per Share and Dividend Record:		
Class A▲	$144.14	$107.49
Paid	0.50	0.50
Common	2.68	2.48
Paid	1.00	0.97½

▲After conversion of 730 Cl. A shs. into 574 common shs. in 1956 and 570 Cl. A shs. into common shs. in 1957.

Shares o/s at Dec. 31:		
Class A, n.p.v.	2,373	2,943
Common, n.p.v.	127,328	126,901

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1957	1956
Cash	$18,196	$29,132
Accts. rec. less res.	760,021	810,772
C.s.v., life insur.	39,754	39,733
Invests▲	28,615	28,615
Inventories	1,928,308	1,533,579
Total curr. assets	2,774,894	2,441,831
Prep. exp.§	35,539	32,113
Fixed assets*	688,096	511,596
Total assets	3,498,529	2,985,540
Bank loans	270,000	178,000
Accts., tax., etc., pay.	932,872	[illegible]
Total curr. liabs.	1,202,872	860,348
Funded debt	335,000	368,000
Capital stock	22,000	22,000
Earned surplus	1,938,657	1,735,192
▲Mkt. value	unstated	unstated
*After depr. of	330,876	300,068

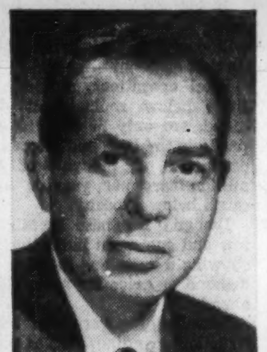
§Incl. in curr. assets in co.'s report.

Working capital	1,572,022	1,581,483

ANNOUNCEMENT

MONTREAL LIFE APPOINTMENTS

E. LAUER



N. H. NATHANSON

A. H. CUSHING

Appointment of Crawford E. Lauer as Treasurer, Nathan H. Nathanson as Comptroller and Taxation Officer, and Arthur M. Cushing, A.S.A., as an Assistant Actuary, has been announced by Hugh H. Turnbull, M.B.E., Q.C., President of Montreal Life Insurance Company.

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Market Comment

What stocks and bonds are doing and what prominent observers say

The expected happened in the stock market this week. Prices slid lower following more than a week of comparatively strong advance. Analysts and traders had expected some setback and now are watching to see how far the decline carries.

U. S. markets slumped sharply compared with Canadian industrial stocks. Hardest hit here were the interlisteds, particularly **International Nickel** which dropped on news of a 10% reduction in production.

This news came on top of further reports of a deepening business slump in the U. S. which had previously broken the uptrend.

Traders noted selling by European holders on the rise. European investors, they say, are concerned about the U. S. business trend. They tend to treat Canadian stocks like U. S. stocks.

Also a growing factor in trade in Canadian issues is the forthcoming annual audit of books of stock exchange firms. This is annual influence usually means very quiet markets.

Mining and oil stocks also attracted some light demand while gold slipped following recent advances. Oil and gas stocks sagged more from lack of interest rather than any increase in selling.

* * *

ARTHUR A. McLAUGHLIN: Baker, Weeks & Co. (Montreal)

While it is not unusual for the stock market to move in the opposite direction to that of business activity, the extent of the divergence has been exceptionally pronounced in recent weeks.

Indeed, it has almost seemed that the worse the business news, the greater the demand for stocks.

Obviously, the market has been going along with the idea that mounting evidence of business deterioration is increasing the certainty that the Federal governments both at Washington and Ottawa will act on a major scale to stimulate business revival; that such efforts are likely to be successful in holding the recession within reasonable bounds; and that massive intervention by way of increased expenditures and tax cuts, together with further easing of money, will add significantly to the long-term inflationary potential already existing.

Thus, while the best over-all performance since last fall has been in the so-called defensive groups — such as foods and chain groceries, drugs, installment finance, and utilities — which are most closely allied to consumer spending and therefore most resistant usually to general business declines, there has also been a tendency more recently for strength to spread into some of the more cyclical groups.

At this point, the evidence hardly supports any firm conviction that the basis has been laid for a sustained uptrend.

The exact depth and duration of the current decline in business activity are still unknown quantities and will remain in this category for some time, regardless of government anti-recession measures.

Particularly uncertain is the outlook for restoration of adequate profit margins. Also, the stock market as a whole is not far from the area where substantially increased supply may be expected on technical grounds.

Therefore, the prudent investor should probably aim at a reasonably balanced and flexible position, rather than an attitude that is irrevocably committed to either aggressive equities or defensive securities.

* * *

FRANK S. LESLIE: Frank S. Leslie & Co. (Toronto)

Since the top of the last bull market (Dow Jones Industrials) of 521, reached in April, 1957, there was a drop to 419 by last October. Since the latter date there has been a slow recovery to 458.

This was not a severe decline and not as great as is customary in bear markets. Also, the time limit seems unusually short, especially after a rise from 263 in 1953.

It does not seem that replacement demand for hard goods will carry us into a new bull market or boom — soon.

Steel operations, although a little below replacement demand, are only at 52% of capacity in the U. S. and motor car production at the rate of 4.5 million cars per year is also much below capacity.

Demand for base metals is low and shows no indication of showing a sustained increase in demand or price for some time ahead.

In spite of government construction spending, etc., as well as the proposed reduction in taxes, it seems plausible to expect a stationary or lower market for an extended period.

Of course, there will always be some issues having a bull market of their own.

Perhaps it would be a wise precautionary measure for stock purchasers to invest in defensive securities for some time ahead, but with the intention of switching to sound equity stocks at such time as the next inflationary cycle begins.

H. N. CRANN: Ross, Knowles & Co. (Toronto)

The recession of 1957 is the third such occurrence in the past decade, following in almost rhythmic fashion the corrections of 1948-9 and 1953-4.

Although it has still to run its course, there are indications that this correction will more closely parallel its immediate predecessors, than the deeper recessions that developed between the two great wars.

The outlook in Canada for corporation profits in 1958 is reasonably good, although varying considerably from industry to industry. Much will depend upon the level of exports which in turn will be influenced by the rapidity and extent of the business recovery in the U. S. and the economic stability of overseas markets.

Under conditions of intense competition the problem of costs has assumed increasing importance. The need to maintain an adequate margin of profit has become as critical as the ability to maintain a high volume of sales.

While there is nothing at present to suggest that the current correction will have more than a passing effect upon the operations of the majority of strong, established Canadian companies, nor on the intrinsic value of their outstanding shares, it is nevertheless evident that successful investment will require more than average vigilance and careful selectivity in the period ahead.

The stock market has been moving in a broad channel, well below previous peaks but still at a historically high level. We think that the ultimate breakout will be on the up-side, but time will be required to allow a firm base to be established.

Purchases should be confined to the shares of strong companies which offer particularly good value.

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(Supplied by Investment Dealers' Assn. of Canada)

Mar. 17, 1958.

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
Alg. Cen. H.B.R.	5	'59	139	142	139
Bell Telephone	5	'72	101½	103½	101½
Bowater Pr. Co.	3½	'80	83	86	83
Brazilian Traction L. & P.	4½	'70	80½	83½	80½
B. C. Electric	3½	'67	87½	...	87
Do.	3¾	'80	85	88	84
Do.	5½	'77	101	103	101
B. C. Telephone	5	'82	99	101	99
Calgary Power	3½	'72	89	...	89
*Can-Met	5½	'62	83	86	83
Consumers Gas	5½	'77	103	106	103½
Gatineau Pr. D	3½	'70	89	91	89
Gt. Lakes Pwr.	5½	'77	106	...	106
Maclaren-Quebec Power	3	'69	88	91	88
Mex. Lt. & Pr.	5	'75	80	...	80
Nat. Lt. & Pwr.	4½	'61	96½	99½	96½
North. Que. Pr.	4½	'67	91	94	91
*Northspan	5½	'63	86	87½	86
Power Corp.	5½	'77	100	103	100
Que. Nat. Gas	5½	'85	137	139	138
Que. Telephone	6	'77	107	...	107
St. Maurice Pr.	3½	'70	88	91	87
Shaw. W. & P.	4½	'76	99	101	98
Tr. Can. P. L.	5.85	'87	147	149	148
W'coast T. deb.	5½	'88	91	93	89½
Industrial Issues:					
Abitibi Pr. P.	6½	'77	106	108	106
Do.	4	'74	90	...	90
Acadia-Atlantic Sugar	4	'74	89	...	88
Alum. Co. of C.	4½	'73	96	98	96
Bathurst P. & P.	5½	'73	95½	...	95½
*Bicroft Ur.	5	'62	88	91	88
Br. Am. Oil	5½	'77	101½	103½	101½
Can. Bread	4½	'67	84	87	84
Can. Cement	5½	'76	101	104	100
Can. Steamship	4	'66	91	93	91
Cdn. Breweries	4½	'81	90	93	90
Cdn. Canners	3½	'70	89	92	89
Cdn. Celanese	3	'62	92	95	92
Cdn. Chem. Co.	5½	'71	93	96	93
Cdn. Industries (1954) Ltd.	3½	'74	87	90	87
Can. Oil	4	'76	89½	92	89
CPR	3½	'72	88	91	88
Cockshutt	4½	'65	83	86	83
Columbia Cell.	5	'68	91	94	91
*Cons. Denison	5	'62	93	95	92
*Cree Oil	5	'66	94	98	94
Dom. Fd. & Stl.	4½	'69	94	97	94
Dom. Stores	5½	'76	101	103	102
Dom. Tar & Ch.	5	'69	98	100	97
Dryden Paper	4½	'74	92½	...	92½
T. Eaton Acc.	4½	'74	95	97	95
T. Eaton Realty	5½	'76	100	102	100
E. B. Eddy	4	'74	87	...	87
Elk Falls Co.	5	'75	91	...	91
Gen. Mot. Acc.	4½	'69	95½	98½	95½
Gt. Lakes Paper	5	'76	95	97	95
*Gunnar Mines	5	'60	99½	101½	99½
H. Bay O. & G.	4	'75	89	91	88
*Husky Oil	5	'69	89	92	89
Imp. Tobacco	3	'70	88	91	88
Imperial Oil	3	'69	90	92	89
Indust. Accept.	6	'77	103	...	103
Loblaw Groc.	4½	'76	112	114	112
Do.	6	'77	103½	106½	102
*Lorado Uran.	6	'63	86½	88	86
Maple L. M.	3½	'63	88	91	88
Massey-Ferg.	4½	'76	83	86	83
Ont. Jockey Cl.	5½	'72	82	85	82
Petrofina	5½-7½	'77	...	106	...
Phillips Elec.	5	'73	90	...	90
Price Bros.	3½	'66	90	...	90
*Pronto Uranium	5	'60	98	100	98
Regent Refining	4½	'75	90	93	90
St. Law. Corp.	5	'72	99	101	98
Simpsons Ltd.	4½	'73	97	99	97
Simpsons-Sears	4½	'79	91	93	91
Steel Co.	2½	'67	88	90	86
Traders Finance	4½	'71	93	...	93
Union Accept.	5½	'68	94½	97½	94
Un. Gr. Grow.	3½	'70	82	84	82
Weston, Geo.	4½	'71	95	98	95

*With warrants.

CONVERTIBLE ISSUES

Issue	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
Abitibi P. & P.	4½	'66	96	98	95
Atlas Steels Ltd.	5	'67	100	104	99
Braz. Traction	4½	'71	75	77	75
CPR	3¾	'66	89½	91½	89½
Do.	4	'69	92½	94½	92
Cockshutt Farm	5	'68	88	...	88
Home Oil	5½	'71	108	110	108
Do.	5	'71	117	121	116
Shaw, W. & P.	5½	'72	111	113	110
Westcoast T.	5½	'88	106	108	106
Loblaw Groc.	4½	'76	112	115	111
Concord D.	5½	'65	87	...	87
Phillips Elec.	5½	'70	95	97	95
Silverw'd Dair.	5½	'72	96	...	96
Triad Oils	4½	'71	84	87	84

New Highs and Lows

During the week ended March 14, 22 new highs and nine new lows were recorded among the general stocks on Canadian stock exchanges. In the mining group there were two new highs and 16 new lows. In western oils there was one new high and six new lows.

GENERAL

New Highs — 1957-58

Build. Prod.; C. Packers B; C. Wallpaper A; Davis Leather A; Gatineau Pwr.; Gen. Bakeries; Gt. Lakes Pwr. pfd; Imperial Invest A; Ind. Ac. 4¼% pf $2.50 par; Loblaw Groc.; Morgan H. 4¾%p; Premier Trust; Roy. Bk. rts.; Shawinigan Pr.; Sicks Brew.; Sup. Pete ord pf; Twin City Gas; Union Acc. 2nd pf; Victoria & Gr.; Walker-Good.; West. Can. Brew.; W. Copper warr.

New Lows — 1957-58

C. Locomotive; Hendershot Pap.; Interior Brew B; Lafarge A; Maxwell Ltd.; Robertson J.; W. Grocers A; John Wood A; Zellers 4½% pf

MINING

New Highs — 1957-58

Bandowan; Florida

New Lows — 1957-58

Can. Met.; Cartier Mal.; Cons. Regcourt; East. Metals; E. Min. & Smelt.; Eureka; Grandview; Malartic; Min. End; Nello Min.; New Hamil; Nocano; Pronto warr.; Que. Copper; Stanleigh warr.; Towagmac

OILS

New Highs — 1957-58

York Oils

New Lows — 1957-58

Allied Roxana; Freehold; Kenare; Merland; Titan; W. Decalta B war

Company Meetings

Date	Company	Place
Mar. 20	Atlantic Accept. Corp.	Hamilton
Mar. 20	Galkeno M.	Toronto
Mar. 20	Chimo G.M.	Toronto
Mar. 20	Excelsior Refinery	Edmonton
Mar. 20	John Inglis Co.	Toronto
Mar. 20	Massey-Harris Ferg.	Toronto
Mar. 20	Moore Corp.	Toronto
Mar. 21	Br. Emp. Assur.	Toronto
Mar. 21	Dom. Foundries	Hamilton
Mar. 21	Imp. Guart. & Acc. Ins.	Toronto
Mar. 21	Cdn. Locomotive	Kingston
Mar. 21	Sangamo Co.	Leaside, Ont.
Mar. 21	Tandem M.	Toronto
Mar. 24	Bath. Pwr. & Pap.	Montreal
Mar. 24	Cdn. Fairbanks-M.	Montreal
Mar. 24	Cons. Peak Oils	Toronto
Mar. 24	Dom. Magnesium	Toronto
Mar. 24	Equitable Life Ins.	Waterloo, Ont.
Mar. 24	E. W. Horner	Mount Royal, P.Q.
Mar. 25	Cdn. Vickers Ltd.	Montreal
Mar. 25	R. L. Crain Ltd.	Ottawa
Mar. 25	Feralco Ind. Ltd.	Mount Royal, P.Q.
Mar. 25	Nor. Que. Pwr.	Montreal
Mar. 25	Triad Oil	Calgary
Mar. 26	Ambrican Invest.	Toronto
Mar. 26	Can. North. W. Land Co.	Toronto
Mar. 26	Leitch, G.M.	Toronto
Mar. 27	Br. Col. Pwr. Corp.	Vancouver
Mar. 27	Can. Fdries & Forg.	Brockville, Ont.
Mar. 27	Cdn. Co-op. Wool Growers	Toronto
Mar. 27	Cdn. Salt Co.	Windsor
Mar. 27	Quinte Milk Prod.	Wellington, Ont.
Mar. 28	Amer. Nepheline Ltd.	Toronto
Mar. 28	Cinzano Ltd.	Montreal
Mar. 28	Det. & Int. Bridge	Detroit
Mar. 28	Fidelity Inc. Co.	Toronto
Mar. 28	Newlund M.	Toronto
Mar. 28	Jas. Robertson Co.	Montreal
Mar. 28	So. Can. Pwr.	Montreal
Mar. 31	Rolland Paper	Montreal
Apr. 2	Cdn. Equity Ins.	Toronto
Apr. 2	Imperial Tobacco Co.	Montreal
Apr. 3	Buffalo Ankerite G.M.	Toronto
Apr. 3	Cdn. Commerce Ins.	Toronto
Apr. 1	Moneta Porc. M.	Toronto
Apr. 8	Cdn. Investment Fund	Montreal
Apr. 8	L. Erie & Nor. Que. Rlwy.	Montreal
Apr. 9	Belding-Cort. Ltd.	Montreal
Apr. 9	Celanese Corp.	New York
Apr. 9	Gen. Steel Wares	Toronto
Apr. 9	Trans Mt. Oil Pipe L.	Vancouver
Apr. 10	Abitibi Pwr. & Pap.	Toronto
Apr. 10	Aro Equip.	Bryan, Ohio
Apr. 11	Aunor G.M.	Toronto
Apr. 15	Chrsyler Corp.	Wayne County, Mich.
Apr. 15	Latonia Inv. Tr.	Paris, France
Apr. 15	Waite Amulet M.	Toronto
Apr. 16	Cdn. Celanese Ltd.	Montreal
Apr. 16	Hallnor M.	Toronto
Apr. 16	Pamour Porc. M.	Toronto
Apr. 16	Union Accept. Corp.	Toronto
Apr. 17	Crown Zell (Can.)	Vancouver
Apr. 17	Nat Lead Co.	Fayreville, N.J.
Apr. 18	Macassa M.	Toronto
Apr. 18	Renabie M.	Toronto
Apr. 21	Un. Corp. Ltd.	Montreal
Apr. 22	Continental Can	New York
Apr. 22	Industrial Accept.	Mount Royal, P.Q.
Apr. 22	United Oils Ltd.	Calgary
Apr. 23	Continental Can Co.	New York
Apr. 23	Gen. Electric Co.	Schenectady, N.Y.
Apr. 24	Price Bros.	Quebec City
Apr. 25	Hudson Bay M.&S.	Toronto
Apr. 25	Mtl. Locomotive	Montreal
Apr. 29	Eddy Paper Co.	Ottawa
Apr. 30	Banff Oil	Buffalo, N.Y.
May 6	Standard Brands Inc.	New York
May 7	Cdn. Pac. Rlwy.	Montreal

Investment Trusts

	Divd. pd. cents ▲	Bid	Ask
All-Can. Com. Fd.	(25.74)	5.96	6.48
All-Can. Div. Fd.	6(22+2)	5.16	5.61
Can. Invest. Fund	8(38)	8.09	8.88
Canafund	(125)	31.83	33.42
Champion Mut. Fund	5(20)	4.72	5.18
C'wealth Inter.	12(33)	6.66	7.32
Corporate Inv.	10(36.5)	7.78	8.46
Diversified Inc. Shs.	6.2(12.2)	3.10	3.40
Dom. Equity I	(36+12)	...	...
Grouped Inc. (n.)	(20.25)	3.27	5.57
Growth Mines		3.60	3.78
Growth Oil & Gas		7.04	7.39
Investor's Mut.	8(32)	9.42	10.18
Leverage Fund	6(22)	4.59	5.04
Mut. Acc. F.	(23.01)	6.09	6.66
Mutual Income	5.65(25.71)	4.51	4.93
Regent Fund Ltd.		4.67	5.13
Resources of Canada		6.15	...
Sav. & Inv. Mutual	4(8)	4.83	5.28
Sup'vised Amer.	(14)	5.84	6.28
Sup'vised Executive (1955)		32.00	...
Sup'vised Executive (1956)		26.24	...
Sup'vised Executive (1957)		4.49	4.74
Sup'vised Gr'th Fund	(3)	1.58	1.70
Sup'vised Inc. Fund	(19)	3.62	3.89
T.V. Electronics		10.07	10.98
Timed Invest.	(22)	†4.75	*4.75
Trans-Can. A	(105.2)	25.00	...
Do. B	30(115.6)	24.65	...
Do. C	10(22.6)	5.10	5.50
United Accum. Fund		11.86	12.89

†Less or (*) plus stock exchange commission.

▲Paid or payable in 1958 total paid in 1957 in parentheses.

1Of which .05 pd. in form of tax-free stk. divd. redeemed for cash immediately.

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporations and Securities.

DOMINION

Government of Canada Treasury Bills—Due June 6, 1958, $115,000,000. Issued March 6, 1958. Sold at $99.341 to yield 2.66%.

MUNICIPAL

Municipality of the County of Victoria, N.S. — 4¾% debentures, due March 1, 1959-78, $198,000. Issued Feb. 27, 1958. Sold at $97.36 to Dominion Securities Corpn. Ltd. and Royal Bank of Canada.

City of Prince Albert, Sask. — 5¾% debentures, due April 1, 1959-78, $269,000. Issued Feb. 28, 1958. Sold at $99.10 to Bell, Gouinlock & Co. Ltd.

School Commission for Mun. of Town of St. Martin, Que.—4½% and 5% debentures, due March 1, 1959-61-73, $207,000. Issued March 1, 1958. Sold at $98.477 to Belanger, Inc.

Municipality of County of L'Assomption, Que. — 4½% debentures, due March 1, 1959-68, $23,000. Issued March 3, 1958. Sold at $97.037 to Belanger, Inc.

School Commission for Mun. of Village of L'Epiphanie, Que. —4½% and 5% debentures, due March 1, 1959-63-78, $544,500. Issued March 3, 1958. Sold at $98.37 to Rene T. Leclerc, Inc., L. G. Beaubien & Cie, Ltee, Credit Interprovincial, Ltee, Banque Provinciale du Canada, Florido Matteau & Fils, Credit-Quebec, Inc. and Belanger, Inc.

Town of Laprairie, Que. — 4½% and 5% debentures, due March 1, 1959-77-78, $624,000. Issued March 3, 1958. Sold at $95.58 to A. E. Ames & Co. Ltd., Dominion Securities Corpn. Ltd., Geoffrion, Robert & Gelinas, Inc. and La Maison Bienvenu, Ltee.

Protestant School Commission for Mun. of Town of St. Martin, Que. — 4½% and 5% debentures, due Jan. 2, 1959-61-78, $198,000. Issued March 4, 1958, $198,000. Issued March 4, 1958. Sold at $96.96 to Dominion Securities Corpn. Ltd. and La Maison Bienvenu, Ltee.

City of Stratford, Ont. — 5¼% debentures, due March 15, 1959-72, $96,818. Issued March 5, 1958. Sold at $102.17 to Bell, Gouinlock & Co. Ltd.

Township of Korah, Ont. — 6% debentures, due April 1, 1959-78, $180,000. Issued March 5, 1958. Bought privately by Midland Securities Corpn. Ltd.

Municipality of the County of Cape Breton, N.S. — 5% 1-20 year debentures, $486,000. Issued March 11, 1958. Sold at $96.03 to Cornell, Macgillivray Ltd. and Stanbury & Co. Ltd.

Municipality of the District of Clare, N.S. — 5% 1-20 year debentures, $150,000. Issued March 11, 1958. Sold at $98.50 to Wood, Gundy & Co. Ltd. and Royal Bank of Canada.

Municipality of Metropolitan Toronto, Ont. — 4½% and 4¾% debentures, to mature April 1, 1959-73-78-83-88, $29,640,000. Dated April 1, 1958. Offered at $98.75 by Wood, Gundy & Co. Ltd., Dominion Securities Corpn. Ltd., A. E. Ames & Co. Ltd., McLeod, Young, Weir & Co. Ltd., Mills, Spence & Co. Ltd., Bell, Gouinlock & Co., Ltd., Royal Securities Corpn. Ltd., Nesbitt, Thomson & Co., Ltd., Harris & Partners Ltd., Gairdner & Co. Ltd., Equitable Securities Canada Ltd., J. L. Graham & Co. Ltd., Burns Bros. & Denton Ltd., W. C. Pitfield & Co. Ltd., Cochran, Murray & Co. Ltd., Midland Securities Corpn. Ltd., James Richardson & Sons, Wills, Bickle & Co. Ltd., Greenshields & Co. Inc., Anderson & Co. Ltd., R. A. Daly & Co. Ltd., Dawson, Hannaford Ltd., Fry & Co. Ltd., Bankers Bond Corporation Ltd., Deacon Findley Coyne Ltd., Matthews & Co. Ltd., Ross, Knowles & Co. Ltd., Walwyn Stodgell & Co. Ltd., Wisener and Co. Ltd., Charles H. Burgess & Co., Bartlett, Cayley & Co. Ltd., Beatty, Webster & Co. Ltd., Fairclough Co. Ltd., J. R. Meggeson & Co. Ltd., Collier, Norris & Quinlan Ltd., Osler, Hammond & Nanton Ltd. and Flemming & Co.

CORPORATE

Jos. A. Lilely Limited — 6½% first mortgage sinking fund bonds, series "A," due Feb. 15, 1978, $500,000. Issued Feb. 28, 1958. Offered at $100.00 by Eastern Securities Co. Ltd.

New Brunswick Telephone Company, Limited — 5⅛% debentures, due April 1, 1979, $3,000,000. Issued Feb. 28, 1958. Bought privately by Royal Securities Corpn. Ltd.

Canadian Western Natural Gas Company Limited — 5⅜% first mortgage sinking fund bonds, series C, to mature April 1, 1983, $4,500,000. Dated April 1, 1958. Offered at $99.50 and accrued interest to yield about 5.41% by Wood, Gundy & Co. Ltd., Nesbitt, Thomson & Co., Ltd., A. E. Ames & Co. Ltd., Dominion Securities Corpn. Ltd., W. C. Pitfield & Co., Ltd., James Richardson & Sons, McLeod, Young, Weir & Co. Ltd., Greenshields & Co. Inc., Midland Securities Corpn. Ltd., Osler, Hammond & Nanton Ltd., Ross, Knowles & Co. Ltd., Carlile & McCarthy Ltd. and Tanner Bros. Ltd.

Canadian British Aluminium Company Limited — 5¾% first mortgage sinking fund bonds, series "B" (carrying stock purchase warrants), to mature July 15, 1980, $10,000,000. Dated Apr. 15, 1958. Offered at $100.00 and accrued interest by Wood, Gundy & Co. Ltd., Greenshields & Co. Inc., A. E. Ames & Co. Ltd., Dominion Securities Corpn. Ltd., Nesbitt, Thomson and Co., Ltd., McLeod, Young, Weir & Co. Ltd., W. C. Pitfield & Co., Ltd., L. G. Beaubien & Co., J. H. Crang & Co., Cochran, Murray & Co. Ltd., Royal Securities Corpn. Ltd., James Richardson & Sons, Geoffrion, Robert & Gelinas Inc., Collier, Norris & Quinlan Ltd., Harris & Partners Ltd., Midland Securities Corpn. Ltd., Burns Bros. & Denton Ltd., Rene-T. Leclerc, Inc., Dawson, Hannaford Ltd., Credit Interprovincial Ltee, and Savard & Hart Inc.

Bond Tenders

12 noon, Mar. 20, 1958, Government of Canada Treasury Bills—Payable June 20, 1958, $115,000,000. Dated Mar. 21, 1958.

TOWN OF LAPRAIRIE, Que., has sold $454,000 4½% 1959-77 and $170,000 5% 1978 serial debentures to a syndicate headed by **A. E. Ames & Co.** at 95.58, indicating net cost of 5.164%. A balance of $134,500, to be renewed for 10 years, is included in the 1978 maturity. Debentures are callable after March 1, 1968, and proceeds are for road building, electricity works, sidewalks, construction and improvement of municipal buildings and purchase of equipment. At Dec. 31, 1957, town's net funded debt was $464,264 and population 6,257.

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's
No. of Securities	10	9	3	5	8	14	10	15	8	7	13	95
*1935 to date:												
High	947.5	1233.1	252.0	285.5	410.5	218.2	650.0	635.0	267.1	304.7	219.8	297.8
Low	69.7	51.6	61.2	78.4	78.4	79.5	79.3	66.7	60.3	60.0	62.5	61.1
1957 Monthly Figures:												
Jan.	763.0	1005.3	147.8	251.6	162.7	181.2	506.2	463.2	227.9	269.9	207.5	273.7
Feb.	756.6	946.4	141.4	244.8	154.7	181.4	488.6	432.4	228.9	271.3	203.6	263.2
Mar	790.4	966.4	134.8	246.2	153.5	182.8	485.9	438.0	230.0	266.2	209.2	267.5
Apr.	825.6	997.0	138.2	262.9	153.4	197.6	490.9	453.5	243.6	277.5	212.5	278.8
May	868.0	986.4	138.0	278.8	157.2	204.7	516.0	470.9	251.9	279.0	216.1	287.6
June	882.7	996.9	141.9	275.6	161.8	206.2	514.6	482.4	264.6	281.8	216.8	286.9
July	932.2	991.9	137.5	274.2	162.5	204.5	506.2	483.4	262.0	277.8	213.8	284.7
Aug	803.9	913.9	135.8	245.9	160.3	195.8	485.9	458.3	[illegible]	260.2	200.6	259.0
Sept	728.5	861.3	126.4	225.5	155.1	189.6	466.9	424.0	[illegible]	252.2	191.2	242.2
Oct.	641.7	813.4	118.7	195.7	149.8	183.8	459.7	384.0	[illegible]	234.9	176.7	219.6
Nov.	600.3	792.7	122.4	195.6	144.0	188.8	473.1	377.6	801.3	240.5	176.2	218.6
Dec.	587.9	808.1	120.8	194.9	151.4	190.7	482.6	373.4	198.4	234.9	173.9	216.2
1958 Weekly Figures:												
Jan. 2	580.4	790.0	122.5	187.7	148.5	200.9	476.3	378.2	199.4	229.0	172.0	212.5
Jan. 9	581.2	781.5	120.6	187.2	151.7	206.8	487.3	383.4	203.7	232.2	177.6	214.8
Jan 16	577.1	790.7	120.6	189.9	147.9	207.8	491.5	386.4	205.2	233.0	180.4	216.7
Jan 23	569.7	808.9	119.5	186.4	148.8	205.8	498.3	390.4	202.0	235.7	179.3	215.4
Jan. 30	587.7	809.8	119.2	186.3	145.0	209.6	497.8	386.5	204.2	236.7	181.2	217.5
Feb. 6	598.6	826.3	125.7	191.2	146.8	214.1	511.4	397.0	206.3	242.0	184.0	222.6
Feb. 13	562.6	828.6	140.7	184.4	142.9	211.9	509.3	396.4	205.1	244.0	181.7	217.3
Feb. 20	566.2	842.1	133.5	182.7	143.6	213.0	508.4	399.5	210.1	252.6	183.0	218.3
Feb. 27	554.4	831.3	133.7	179.1	149.4	212.2	507.3	393.4	207.2	242.2	181.2	214.9
Mar. 6	608.0	840.4	131.2	183.8	141.9	215.0	512.6	402.4	210.0	239.7	184.3	220.9
Mar. 13	621.5	867.0	130.7	185.7	158.9	218.3	514.1	420.6	208.6	237.9	183.6	224.2

*High and low for year from 1935 to date inclusive are based on weekly figures used by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	15 B.M.	15 W.O.
Mar. 17	421.83	77.84	152.26	128.76
Mar. 14	422.58	77.50	153.65	130.12
Mar. 13	424.29	78.38	153.21	131.02
Mar. 12	423.83	78.50	151.94	130.81
Mar. 11	423.85	78.80	152.91	131.30
Month Ago	414.40	78.86	147.83	130.56
Year Ago	425.63	76.49	208.53	158.55
1957-58 High	490.42	83.72	232.21	193.96
1957-58 Low	386.06	68.15	141.95	121.61

Montreal Stock Exchange Index

	10 Util	20 Indus	30 Com	10 Pprs	15 Golds
Mar. 17	136.3	242.9	207.4	1122.63	68.36
Mar. 14	136.7	244.7	208.7	1127.99	68.70
Mar. 13	139.7	247.6	211.6	1147.16	69.35
Mar. 12	139.7	243.9	209.1	1136.24	69.13
Mar. 11	140.0	234.0	206.7	1131.98	69.03
Mon. Ago	136.7	238.4	204.5	1093.42	68.97
Year Ago	143.0	279.2	233.8	1332.81	72.78
57-58 High	155.4	300.0	249.4	1435.46	91.06
57-58 Low	124.2	220.0	188.0	947.66	60.88

Dow-Jones Closing Stock Averages

	20 Indus	20 Rails	15 Util	65 Stocks
Mar. 17	448.23	104.73	73.15	152.35
Mar. 14	453.04	106.27	73.12	153.76
Mar. 13	454.10	106.83	73.24	154.18
Mar. 12	454.60	105.51	73.37	153.98
Mar. 11	455.92	105.65	73.18	154.21
Month Ago	442.27	107.01	72.12	151.31
Year Ago	472.30	141.89	71.43	166.86
1957-58 High	520.77	157.67	74.61	179.87
1957-58 Low	419.79	95.67	62.10	142.49

Government Bonds

Mar. 18, 1958.

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Asked
Govt. of Can. Bonds:			
3	Jan. 1959	99¾	100¼
3	June 1960	98¾	99¼
3	Feb. 1962	97¾	98¼
3	Oct. 1963	96½	97½
3	Sept. 1966	95½	96½
3	Perpetual	†84	85½
2¾	June 1968	92½	93½
3¾	Jan. 1975/78	96½	97½
3¼	June 1974/76	90½	91½
Cdn. Nat. Railways:			
3	Jan. 1959	99¾	99¾
2¾	Jan. 1967	92	93
3	Jan. 1966	95	96
2¾	Sept. 1969	91½	92½
Grand Trunk Pacific Rlwy.:			
3	Jan. 1962	▪97½	99
4	Jan. 1962	▪100½	102
Int. Bank of Reconstruct. & Development			
3¼	Apr. 1965	92	94
3½	June 1969	90	92
C'wealth of Australia:			
4	Nov. 1970	92	94
Prov. Govt. Bonds			
Alberta:			
2¾	Mar. 1970	♦90	92
British Columbia:			
4½	Jan. 1969	♦103½	105½
3	Dec. 1960	96	97½
3	June 1964	92	94
5	Sept. 1959	♦100½	102
B. C. Power Comm.:			
3	Oct. 1967	89	91
Manitoba:			
5	Dec. 1959	▪100½	102
5½	July 1958	100	100¾
3	Oct. 1965	91	93
Nova Scotia:			
4½	Nov. 1960	♦99	101
5	Mar. 1960	♦99½	101½
3½	June 1963/65	92½	94½
3	June 1956/58	99	100
2¾	June 1965/68	86	88
New Brunswick:			
4½	Apr. 1961	♦98	100
2¾	June 1966	86½	88½
3½	Sept. 1965	92	94
5	Mar. 1970/75	102	103½
Ontario:			
2¾	Nov. 1965/69	87½	89½
4	June 1962	▪98	100
4½	Jan. 1962	♦99	101
2¾	July 1967/76	84	86
3	Nov. 1963/65	92½	93¾
5	May 1959	▪100¾	101¾
4	June 1969/72	96	98
Ont. Hydro Comm.:			
2¾	Oct. 1965/68	88	90
3	Dec. 1963/65	91½	93
3	Nov. 1967/69	89	91
3½	May 1974/79	89½	91½
5	Apr. 1974/77	103	104½
Prince Edward Island:			
3	Oct. 1965	88	90
Quebec:			
4½	Aug. 1958	99½	100½
4½	Jan. 1963	101	102½
3	Sept. 1962/64	93	94½
Quebec Hydro Commission:			
3	Feb. 1969/73	85	87
3	Dec. 1958/60	96½	97½
3¼	May 1971/74	87½	89½
4¼	Oct. 1973/76	98	99½
Saskatchewan:			
5	Aug. 1958	99¾	100¾
4½	Mar. 1960	♦99½	101
3	Mar. 1963	93	94½
3½	Nov. 1960/62	93½	95½
3¾	Oct. 1962/65	94	96
5	Dec. 1959	100½	102
Newfoundland:			
4¾	July 1964	98	99½

▪Payable Can., N.Y. or £. ♦Payable Can. or N.Y. †Callable on or after Sept. 15, 1966.

Unlisted Mines and Oils

(Compiled from Quotations by G. E. Leslie & Co., Montreal)

Stock	Bid	Off.
Absam	2	4
Aconic	90	1.00
Do vt c	67	72
Amer Chib	18	23
Americ	1	3
Arnora	2	4
Assoc Dev	7	8
Atlas Chib	4	7
Bald Mtn	7	9
Baraca	13	18
Belmont	5	10
Bros'n Ch	..	25
Big Nell	10	15
Cdn Javin	13½	13¾
Cent M	1.50	2.50
Dadson	5	10
Eldwd M	..	55
Flicka	2	4
Garland	..	15
Glencona	1	2
Hastings	48	50
Independt	5	8
Kenmac	2	4
Lun-Echo	24	27
Lyndvue	12	17
Main Oka	16	20
Martin B	8	11
Miller Cop	4	6
Murray M	20	23
Nat'l Mal	7	10
Nipiron	16	19
Norbeau	55	65
Nordeau	..	70
Oklend	5	8
Ont Nickel new	10	13
Pascalis	12	15
Provincial	2	4
Que Cob	1.90	2.00
Quedon	7	12
Quejo	6	8
Rand Mal	5	7
Roberval	65	75
St Jude	..	25
Scott Chib	4	6
Seaway O	35	40
Selby M	7	12
Starlight	5	7
St Roberts	53	58
Tarpoint	1	2
Trepan M	40	45
Valmont	25	30
Wesley	6	8
Wm Leys	..	8
Young D	13	16

ANNOUNCEMENT

MARCUS L. BROWN W. HORACE MASON

W. Horace Mason, 51, Vice-President and Secretary-Treasurer of Seiberling Rubber Company of Canada, Limited, has been elected President and General Manager of the Company. He will succeed Marcus L. Brown, who will retire from his position on April 1 following 36 years of service with the Company and 41 years in the rubber industry. Mr. Brown will continue as a Director.

Born in England, Mr. Mason joined Seiberling Rubber Company in the United States 32 years ago and served in various capacities. He came to Canada in 1952 as Secretary-Treasurer and Director of Seiberling Rubber Company of Canada, Limited, and in 1954 was made Vice-President and Secretary-Treasurer. In his new capacity he will continue to serve as Treasurer.

B&W CANADA STEAM

Manufacturers of STEAM POWER PLANT EQUIPMENT

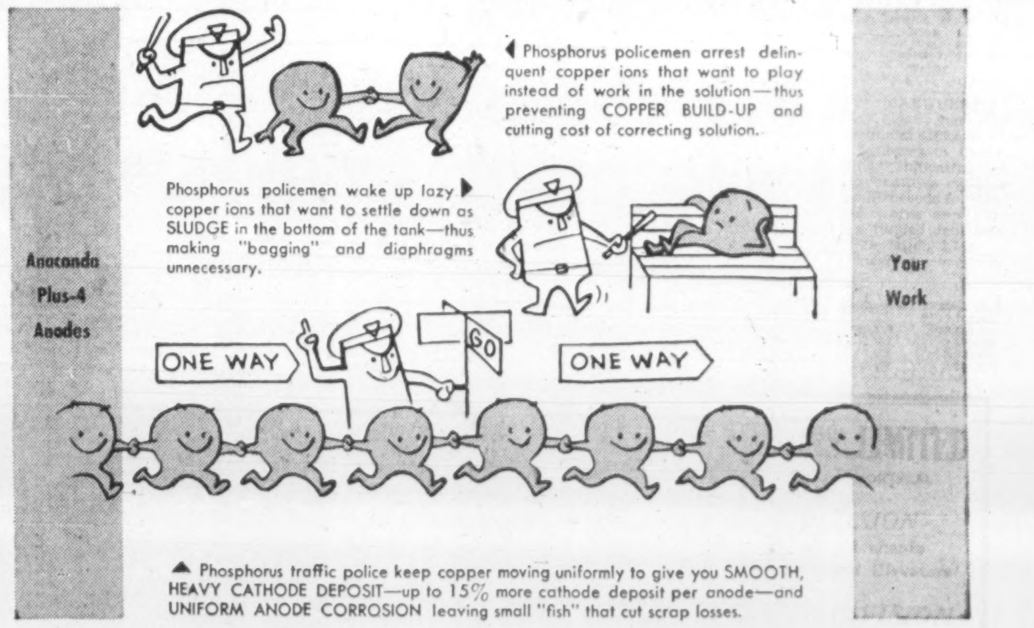
★

BABCOCK-WILCOX and GOLDIE-McCULLOCH LIMITED

GALT - ONTARIO

MONTREAL • TORONTO • CALGARY • VANCOUVER

FP8



◀ Phosphorus policemen arrest delinquent copper ions that want to play instead of work in the solution—thus preventing COPPER BUILD-UP and cutting cost of correcting solution.

Phosphorus policemen wake up lazy ▶ copper ions that want to settle down as SLUDGE in the bottom of the tank—thus making "bagging" and diaphragms unnecessary.

▲ Phosphorus traffic police keep copper moving uniformly to give you SMOOTH, HEAVY CATHODE DEPOSIT—up to 15% more cathode deposit per anode—and UNIFORM ANODE CORROSION leaving small "fish" that cut scrap losses.

PLATING COSTS LESS WITH ANACONDA "PLUS-4" ANODES

+1 no anode sludge (no "bagging" or diaphragms required)
+2 no copper "build-up" in solution
+3 smooth, heavy cathode deposits
+4 up to 15% more cathode deposit per anode

▶ The playful characters above give perhaps an over-simplified explanation of a laboratory development now saving acid-copper electroplaters, electrotypers and electroformers a lot of time and money.

Metallurgists have found that if copper used as anodes contains a small but precisely controlled percentage of phosphorus, all the copper moves uniformly through the acid-copper solution to the object being plated. The phosphorus seems to act like a policeman.

Anaconda "Plus-4" Phosphorized Copper Anodes are the result. They have been proving their superiority in acid electroplating tanks in many parts of Canada. Write for publication C-5. Anaconda American Brass Limited, New Toronto, Toronto 14, Ont.

C-6722

ANACONDA*

*Trade Mark Reg'd.

ANACONDA AMERICAN BRASS LIMITED
New Toronto, Ontario.
Sales Offices: Montreal and Vancouver

DIVIDEND NOTICES

dividend notice

Notice is hereby given that a dividend at the rate of Thirty-Five Cents per fully paid share in the Capital Stock of the Bank has been declared for the quarter ending April 30th, 1958, payable at the Head Office and Branches of the Bank on and after May 1st, 1958 to shareholders of record at the close of business on March 31st, 1958.

By Order of the Board
Toronto, Ontario, February 20, 1958.

A. T. LAMBERT, General Manager

THE TORONTO-DOMINION BANK
THE BANK THAT LOOKS AHEAD

THE CANADIAN BANK OF COMMERCE
DIVIDEND NO. 285

NOTICE is hereby given that a dividend at the rate of thirty-five cents per fully-paid share on the outstanding Capital Stock of this Bank has been declared for the quarter ending April 30, 1958, payable at the Bank and its branches on May 1, 1958, to shareholders of record at the close of business on March 31, 1958.

By Order of the Board.
J. P. R. WADSWORTH, General Manager.
Toronto, March 14, 1958.

DOMINION GLASS COMPANY LIMITED

Notice is hereby given that a dividend of one and three-quarters percent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of March 1958.

Notice is also hereby given that a dividend of Fifty Cents (50c) per share has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of March, 1958.

The above dividends will be paid on Tuesday, the 15th day of April, 1958, to shareholders of record at the close of business Friday, the 28th day of March, 1958.

By order of the Board.
T. B. KING, Secretary.
Montreal, 26th February, 1958.

WOOD ALEXANDER LIMITED

Notice is hereby given that a regular quarterly dividend of 1½% per share has been declared on the 6% Cumulative Redeemable Sinking Fund Preference Shares, payable April 1st, 1958, to shareholders of record at the close of business March 17th, 1958.

By Order of the Board.
J. I. WHITFORD, Secretary-Treasurer.

T. H. ESTABROOKS CO. LIMITED

Notice is hereby given that the quarterly dividend (26 cents per share) on the 4.16% Cumulative Redeemable Sinking Fund Preferred Shares (par value $25.00 per share) of the Company has been declared payable April 15, 1958, to shareholders of record at the close of business March 14, 1958.

By Order of the Board,
J. B. BRYDON, C.A., Secretary-Treasurer.
Saint John, N.B., 3rd March, 1958.

THE B. GREENING WIRE COMPANY LIMITED
COMMON DIVIDEND NO. 83

NOTICE IS HEREBY GIVEN THAT at a meeting of the Directors of The B. Greening Wire Company, Limited, held in Hamilton on February 24th, 1958, a dividend of Five Cents per share on the Common Shares of the Company was declared payable April 15th, 1958, to shareholders of record March 15th, 1958.

By Order of the Board,
A. M. DOUDA, Secretary.
Hamilton, Ontario, February 25th, 1958.

DIVIDEND NOTICE

HENDERSHOT PAPER PRODUCTS, LIMITED

The Board of Directors of Hendershot Paper Products Limited, at a meeting thereof held on March 7, 1958, declared the forty-fourth quarterly dividend of 10c per share on the outstanding Common Shares of the Company, payable April 1, 1958, to shareholders of record March 14, 1958.

By Order of the Board.
D. H. McKeown, Secretary-Treasurer.

HENDERSHOT PAPER PRODUCTS, LIMITED

The Board of Directors of Hendershot Paper Products, Limited, at a meeting thereof held on March 7, 1958, declared a dividend of $1.50 per share on all outstanding 6% Cumulative Redeemable Preference Shares of the Company, payable April 1, 1958, to shareholders of record as at the close of business March 14, 1958.

By Order of the Board,
D. H. McKeown, Secretary-Treasurer.

SWITSON INDUSTRIES LIMITED
Consecutive Dividend No. 20

NOTICE is hereby given that a regular quarterly dividend of 7c per share has been declared on the common shares of the Company, payable on Monday, March 31st to shareholders of record at the close of business on Tuesday, March 18th, 1958.

By Order of the Board.
W. T. GUNNING, Secretary.
Welland, Ontario, March 11, 1958.

N. SLATER COMPANY LIMITED
HAMILTON-CANADA
DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of 33c per share has been declared on the outstanding Preferred Stock of the Company, payable April 14th, 1958, to shareholders of record at the close of business on March 28th, 1958.

NOTICE IS HEREBY GIVEN, ALSO, that a quarterly dividend of 25c per share has been declared on the outstanding Common Shares of the Company, payable May 1st, 1958, to shareholders of record at the close of business on April 10th, 1958.

By Order of the Board.
E. GARSIDE, Secretary.

Commonwealth International Corporation Limited
Dividend No. 97

Notice is hereby given that a dividend of SIX CENTS per share has been declared on the outstanding Common Shares of the Company, payable on 15th APRIL 1958, to shareholders of record at the close of business on 31st MARCH 1958.

Holders of Bearer Share Warrants may present Coupon No. 97 for payment to any branch in Canada of The Royal Bank of Canada, on and after 15th APRIL 1958.

By Order of the Board.
W. Lewis Alexander, Secretary-Treasurer.
Montreal, 5th MARCH 1958.

Penmans
DIVIDEND NOTICE

NOTICE is hereby given that a dividend of one and one-half per cent (1½%) has been declared for the quarter ending on the 30th day of April, 1958, payable on the 1st day of May to Shareholders of record of the 2nd day of April, 1958.

On the Common Stock, forty-five cents (45c) per share, payable on the 15th day of May to Shareholders of record of the 15th day of April, 1958.

By Order of the Board.
L. P. ROBERTSON, Secretary-Treasurer.
Montreal, March 13, 1958.

Canadian Marconi Company
Notice of Annual General Meeting of Shareholders

The Annual General Meeting of the Shareholders of Canadian Marconi Company will be held at the Head Office of the Company, Marconi Building, 2442 Trenton Avenue, Montreal 16, on Monday, the twenty-eighth day of April, 1958, at 11:00 o'clock a.m., to receive the Annual Report of the Directors and Financial Statements and the Report of the Auditors; to elect Directors for the ensuing year; to appoint Auditors, and for the transaction of such other business as may properly come before the Meeting.

By Order of the Board
WILLIAM HOPKINS, Secretary.
Montreal, Que., January 28, 1958.
Marconi Building, 2442 Trenton Avenue.

ANGLO-CANADIAN TELEPHONE COMPANY
Preferred Dividend Notice

NOTICE is hereby given that a dividend of One and One-Eighth percent (1⅛%) has been declared on the 4½% Cumulative Preferred Shares of the Company for the quarter ending April 30, 1958, payable May 1, 1958, to Stockholders of record at the close of business on April 10, 1958.

By Order of the Board,
CAMERON HOUGH, Secretary.
Montreal, P.Q., March 4, 1958.

ANGLO-CANADIAN TELEPHONE COMPANY
Class A Dividend Notice

NOTICE is hereby given that a dividend of $0.30 per share has been declared on the Class A Stock of the Company, payable June 2, 1958, to Stockholders of record at the close of business on May 9, 1958.

By Order of the Board,
CAMERON HOUGH, Secretary.
Montreal, P.Q., March 4, 1958.

Halifax County Okays Tax Deals For New Industry

From Our Own Correspondent

HALIFAX — Municipality of the County of Halifax has granted tax concessions in a tentative agreement with **Industrial Estates Ltd.**, provincial Crown corporation, to encourage industrial development on the eastern side of Halifax harbor.

The move paved the road for a shop-talking tour of Europe by Estate's officials, encouraging manufacturing firms to establish industries on two large tracts of land near Woodside, totaling 64 acres.

The land is now tax free, and the municipality has agreed (in principle) to a tax of 10% per year, for a 10-year period, of the cost of the erected buildings.

The tax will not apply to land, water, sewers, roads, curbs, gutters, street lighting, parks and landscaping—and would come into effect when industrial tenants were obtained.

Legislation is expected to be introduced at this session of legislature (recessed this week for one month because of the federal election) to enable other municipalities to enter similar agreements.

The crown corporation has already purchased land in Pictou County for development of an estate.

TOWN OF ST. MARTIN, Que., School Commissioners have sold $102,000, 4½% 1959-61 and $105,000 5% 1962-73 serial debentures to **Belanger Inc.** at 98.477 indicating net cost of 5.199%. Debentures callable after March 1, 1966. Proceeds are for construction of a 12-classroom school. A balance of $40,500, included in the 1973 maturity, is renewable for five years.

DIVIDEND NOTICES

SUPERTEST
PETROLEUM CORPORATION, LIMITED
NOTICE OF DIVIDEND

NOTICE is hereby given that a quarterly dividend of $1.25 per share upon the outstanding 5% cumulative redeemable sinking-fund preference shares of the Company has been declared payable on April 15th, 1958, to shareholders of record at the close of business March 25th, 1958, such dividend being at the rate of 5% per annum for the period from January 15th, 1958, to April 15th, 1958.

By Order of the Board.
R. W. MITCHELL, Secretary.
London, Ontario. March 13th, 1958.

THE EASTERN TRUST COMPANY
228th Consecutive Dividend

Notice is hereby given that a quarterly dividend of 2½% (25 cents per share) has been declared on the paid-up Capital Stock of the Company (par value $10.00 per share), for the quarter ending March 31st, payable April 1st, 1958, to shareholders of record at the close of business March 20th.

Dated at Halifax this 13th day of March, 1958.

By Order of the Board
E. G. DEWLING, Secretary

NOTICES

POWELL RIVER COMPANY LIMITED
Notice of Annual General Meeting

1204 Standard Building, Vancouver 2, B.C.

To the Shareholders of Powell River Company Limited:

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the shareholders of the above-named Company will be held in the Ballroom, Hotel Georgia, 801 West Georgia Street, Vancouver, British Columbia, on Tuesday, the 15th day of April, 1958, at the hour of 2:00 o'clock in the afternoon, Pacific Standard Time, for the purpose of electing a Board of Directors for the ensuing year, considering the accounts and balance sheet, receiving the reports of the Directors and Auditors, conferring a general authority (expiring at the next general meeting of the Company unless then continued by ordinary resolution) to take or acquire by purchase or otherwise any shares in any other corporation, and transacting such other business as may properly come before the meeting.

DATED at Vancouver, British Columbia, this 14th day of March, 1958.

By Order of the Board,
J. A. KYLES, Secretary.

A CORDIAL INVITATION IS EXTENDED TO ALL SHAREHOLDERS TO ATTEND THE ANNUAL MEETING IN THE BALLROOM, HOTEL GEORGIA, AT 2.00 P.M., PACIFIC STANDARD TIME, ON TUESDAY, APRIL 15.

NOTE: The attention of holders of Share Warrants is directed to Section 13 of the Regulations pertaining to Share Warrants in respect to share warrants and for depositing share warrants for voting at General Meetings or giving proxy. Copy of these Regulations as well as form of proxy and form of certificate by a Bank or Trust Company as to deposit of share warrants may be obtained from:

THE ROYAL TRUST COMPANY
626 West Pender Street, Vancouver 2, B.C.
or
400 Craig Street West, Montreal 1, Que.
or
19 Richmond Street West, Toronto, Ontario.

Copy of the Annual Report may be obtained on written request to the Company or at either of the above-mentioned offices of the Royal Trust Company.

Market Bid and Ask Quotations

March 18, 1958

Montreal & Toronto

	Bid	Ask
Abitibi	28	28¼
Do p	23¾	24¼
Ac-Atl	8¼	9⅛
Do A	18½	19
Do p	94	96
xAcad U	6	6½
xAcme	14	14½
Adml	7½	8
xAdvoc	250	260
Ag-S	8½	8¾
Do p	9	9½
xAgnico	45	52
xAjax	47	50
xAkaitc	40½	43
xAlba	4	5
xAlta D	140	145
Do vt	120	125
xAP Con	37	40
Algom	14	14½
Do vt	14	19
Do deb	97	98
Do w	470	490
Algma	24½	25
xAll Rox	41	49
Alumi	29¾	30
Do 1p	22½	22½
Do 2p	47½	47½
xA-Lar	13	16½
xA Rare	40	49
xAm L	19	20
xA Nep	82	85
xAmur	225	275
xAnac	49½	51
xAnalog	260	275
xAnch	23	24
Ang-Am	895	950
Ang-C Tel	42½	43
A Plp p	50½	50¾
xAng Hi	975	1000
xAng R	25	30
xAnsl	15	16½
Anthes	22	22½
xApex	4½	5
xArcad	18½	19
Do w	8	10
xArcan	25	30
xArea	59	60
Argus	17½	17¾
Do 240 p	48¼	48¾
Do 250p	43¾	44½
xArjon	12½	13
xAsama	180	184
Ash A	10½	..
Do B	11¼	12½
xAsh T	200	250
Do B	8½	9
A Art	8¾	9
Do d	97	100
Do wts	410	480
Atl A	5	6
Do p	14	15
Atlas S	16¾	17
xAt Yk	7	7½
xAt-Ruf	26	27
xAubel	5½	6
xAumac	12	13
xAumaq	7½	8
xAunor	216	220
Aut El	14¾	15
Do A	10	11
Aut F A	250	350
Do B	100	100
xAvilla	5	6
xBly SA	760	770
Do p	22	24
Do 5½%	22¾	23
xBanff	177	182
xBnkno	13½	14
xBnkfld	6½	10
Bk Mtl	40¾	40¾
Bk NS	52½	53
Banq Can	39	39½
xBrclna	..	400
xBarnat	32½	33½
xBarvu	13	15
xBary E	72	75
xBase M	22	24
xBaska	14½	15
xBata	7	8
Ba In	9	..
Bath A	40½	40¾
Do B	17½	18
xB-Duq	23	24
xBeatty	350	375
xBeauc	87	90

	Bid	Ask
xBeav L	15	17
B Lum	17½	20½
Do A	18	..
Do pr	27	..
xBelch	94	96
Bell	41½	41½
xBellet	151	170
xBthlm	75	78
xBeven	11	11½
xBibis	4½	5
xBicrft	95	98
Do w	39	42
xBidcop	13	15
Bilt	7½	7½
Do p	10	12½
xBl Bay	25	26
Bl Rib	..	12
Do p	30	34
xBonvill	6½	7
xBordul	7	8
xBousc	9	11
xBouzn	38	40
xBowat	375	395
Do p	44½	..
Do 5½%p	47¾	48
Bowes	14½	16
xBoymr	8½	9
xBrlrn	535	540
xBralsa	73	78
Br C A	16	16
Do B	12	12
Brazil	6½	6½
Do p	83½	89
Br T	20½	20¾
Do p	46½	47½
Do w	10	10½
Bright	19½	20
Do p	20	21
xBritalt	140	145
BA Oil	35½	35½
BCE 4%p	79	81
Do 4¼%p	42½	44
Do 4½%p	43½	45
Do 4¾%p	91½	92½
Do 5%p	48½	49
Do 5½%p	51	51¾
BC For	10½	10½
BC P A	12	12½
Do B	12	12
BC Pow	40	40½
BC Phone	43½	43¾
xBr Reef	52	55
Brown	10⅜	10¾
Bruck A	5	5½
Do B	150	195
xBrnhrst	4½	5
xBrnsmn	6	7
xBrnsk	251	255
xBufad	6½	7
Do A	75	80
Do RL	6	6½
Bld Prd	40	40½
Bull A	6	6
Do B	..	5¾
xBunk H	7½	8
Burlton	11½	12¾
Burns	11½	12
Burr A	7	7
xCbnga	40	42
xCable	13	18
xCalalt	52	55
Cald 1p	21	22½
Cal Ed	20	20½
Cal Pow	69½	70
Do 5p	102½	..
xCalv C	400	425
xC Chib	490	505
xC Red L	715	730
xC Bd	275	300
Do B	46	47
C Cem	28½	29
Do p	28	28½
CCC St	7½	8½
C Foil	15¾	..
Do A	20	21
C Fnd A	24	26
C Fnd	10½	13½
Cl Fnd	28	28½
Do 4½%	92½	97½
C Life	126	130
C Malt	51½	53
Do p	24	24½
xC O Lds	165	170
Do w	73	80
C P A	39½	41

	Bid	Ask
Do B	37½	37¾
C Perm	83½	83½
C Saf 4p	95	..
xCSO w	70	72
xCS Pet	365	395
CSL	38½	39¾
Do p	12½	12¾
C Wre A	23	..
Do B	12¾	13¾
xC Ast	6	7
xC Atl O	405	410
C Baks	5½	6
C Bnk C	42½	42½
C Br	27¾	28
Do p	28	28¾
CB Al	9	9½
C Can A	14	14½
C Cel	15¾	16½
C C $1	15¾	17
Do $175	29	29
C Chem	485	490
xC Chief	93	94
xC Coll	425	430
Do p	70	75
xC Curtis	145	150
xC D w	10	12
xC Dev	570	575
C Drn S	11	11½
Do p	10½	11
C Drdg	15¾	16
xC Dyno	84	85
xC E Gas	450	..
C Fbks	16	17¾
Do p	108½	..
Do Pr	250	260
Do Pr A	7	7½
Do p	38	38½
CGE	555	850
CG S A	15½	16
Do B	16	16½
xC High	43	45
xC Home	210	212
C Hsky	960	975
Do w	500	535
C Hyd C	7¾	8½
C I Ma	5½	6
Do A	10¾	13½
C Int Pwr	17	17¾
Do pfd	46½	46¾
C Loco	..	12½
xC Mal	22½	24
xC N In	15	19
C Oil	24½	24½
Do p	153	160
Do 4%	..	87
Do 5%	102¾	103
Do w53	770	825
Do w55	125	145
CPR	23¾	23¾
C Pet p	14½	15
xC Pros	177	183
C Salt	19½	20
xC Thor	8	9
C Tire	86	99¾
C Ut p	92½	93½
Do 4½%	77	80
C Vick	23½	..
C Wal A	21	23
Do B	21½	23
CWN p	15¾	16
Can wo	85	99
xC Will	105	125
xCanam	12	25
xCandor	16	20
xCanEr	17½	18
xC Met	138	140
Do w	66	70
xCan N	102	108
xCan Oil	110	119
xCapt	12½	13½
xCarib	64	68
xCass	725	740
xCastle	335	355
xCayzr	400	450
C C I	28	..
Do p	96	..
xC Del	715	720
xC Pat	90	92
xC Porc	7½	8½
xChar O	170	175
Chart Tr	46	58
C-Gai	15½	16
xChesk	6½	7
xChest	17½	18½
xChib J	37	38
xChib-K	11	14
xChi M	58	68
xChim	48	49
xChrm	315	325
Chrys	49½	51
xC Bar	150	250
Do A	350	450
xCoch W	252	255
Co-D	17½	19
Do A	13	16
Cshutt	8½	8¾
xCody-R	12½	13
Cogh C L	13	14
xCoin L	15	17
xClstm	33½	34½
Coll	15	18
Do p	12	..
xColom	4½	6
Com E	11½	11½
xCmoil	..	200
xCom P	205	215
Conduit	9½	9¾
Conf L	122	127
xConia	58	60
xCniaur	30	33
xCKey	23	24
xConro	7½	8½
xC All	9	9½
C Bak	7½	8
xC Bell	12	13
xC B-G	7	9
xC Call	11½	12½
xC C C	6	7
C Den	12½	12½
Do w	375	380
xC Disc	265	278
xC Dra	25	28
xC E Cr	33	37
xC Fen	48	54
C Fire	300	400
xC Gill	6	7½
xCG Ar	20	23
xC Hall	29	30
xC Hwy	172	190
xC Mrbn	24	26
xC Mrcs	44	48
xC M M	250	255
C M S	17¾	18
xC Morr	22	24
xC Mos	52	57
xC Neg	16	19
xC Nich	5½	6
xC Nor	31	34
xC Pk	6	6½
xC Pers	12	15
xC Que	45	50
xC Red P	9½	10
xC Reg	15	16
xC San	6	6½
xC Sud	79	81
C Textile	..	275
xC Tung	9	11
xC W P	565	590
C Gas	29	29½
Do A	104⅜	105
C Glass	26½	27
Con C	45½	45¾
xCnwst	250	260
xCop Cl	490	500
xC Cor	22	23
xCop-M	7½	9
xCprnd	150	152
Corb vt	17½	17½
Do B	17½	17½
Csmos	11	11½
xCoulee	52	55
xCourn	7	12
xCowic	..	150
xCraig	..	270
xCree O	350	355
Do w	165	177
xCrst	9	10
xCrsbk	150	165
Do p	..	25
Do w	61	65
xCroi	8	9½
Cr Cork	..	48
Cr Tr	18½	20½
Cr Zell	44¾	45½
xCrowp	8	10
Crow	14½	15
xCusco	7½	9
xDaer	19½	22
Diex p	88	91
xD'Ara	14	14½
Dav A	10½	10¾
Do B	285	300
xDe C	28	32
xDeer H	13½	14
xD'Eld	7½	8½
xDelte	11	11½
xDev P	118	120
D Seag	26¾	27½

	Bid	Ask
xD Exp	820	825
Dome	14½	14½
D Ang	410	..
Do p	87½	..
D Coal p	8½	9
D Brge	22½	23
D Cor Co	13	14½
D Dair	6½	10
Do p	17	18
D Elec	11	11½
D Fab	9	9½
Do 2 p	18	..
D Fdry	26¾	27
Do p	99	99½
D Ins	166	..
D Mag	10½	10¾
D Scot	22	24
Do p	42½	47½
D St o	19½	20½
D Strs	53½	53¾
D Tar	11⅜	11½
Do p	20	20½
D Tex	8½	8½
Do p	120	..
xD Wl	35	40
xDonal	14	14½
D Rop B	11½	13½
xD M	66	80
Donoh Br	10½	..
Dow	33	34½
Dup Fr A	7½	7¾
xDuvan	12½	13
xDuvex	8	8½
xE Am	7	9
E Koot	7½	10
xE Mal	137	140
xE Sull	190	200
xE Met	8½	10
xE Min	32	34
xEast St	70	85
Easy	7½	7½
Do p	13¾	15
Econ I	33	35
Eddy	39	..
Do A	37¾	48
Ed Ma	23¾	24
xElder	72	73
xEldr	23	25
xElectr C	98	..
Electrolux	9¾	10½
xEl Sol	11	12
Em Life	50	57
En & Htg	5	5½
Do B	110	..
Eq Life	52	54½
Erie A	5	7
Do B	100	300
Estbks p	19	20
xEurka	23½	24½
xExcls	49	55
xEx All	17	18
Falcon	23¾	23½
Fam Pla	15½	16
Fan F	15	15¾
xFrdy	144	148
Do w	48	50
xFargo	575	580
xFwest	9½	12
Fed Fire	..	49
Fed Gr	29	29¾
Do p	26	27
xF Kirk	7	9
xFibre	..	200
Do p	..	250
xFitting	485	485
Do A	7½	10
Fl F p	15	..
xFleet	51	55
xFla C	10½	10¾
Ford US	39¾	39¾
Ford A	74½	75
Do B	75	100
Found	19	19¾
xFrnc	5½	7
Fraser	24	25
Frei p	..	94
xFr PE p	775	785
xFrbshr	141	145
Do db	70	80
Frue	..	6
xGaitw	6	6½
Glkno	35	38
Gatin	31½	32
Do 5%p	102	103
Do 5½%	109	110
xGeco	975	1000
G Bak	6½	6¾
G Dyn	54½	55½
G Elec	59¾	60½
GMC	34½	34¾
xGen P	340	375
Do A	300	310
GP M A	..	30
GSW	6½	6½
Do p	79	82
xGenex	11	11½
xGeo Sc	33	35
xGt Mas	9	10
xGiant	525	540
xGlacier	175	180
xGlenn	10	11
xGldale	14½	15
xGldcr	9	10
xGold E	6	7
xGold M	28	30
xGF Ur	9	10
Gdy	141	145
Do p	46½	47¾
G Mac A	6½	7
Do B	6	7
Gftn A	..	13
xG Bous	7	7½
Granby	500	..
Gr Toy	30	32
xGrdroy	32	33
xGduc	93	95
GL P	33	33½
GL Pow	19	20
Do p	23½	25
GN G	7	7½
Do p	36	37
Do 280p	38	39
Do w	340	350
Do Bw	300	310
Gr Plns	16	17
GW C A	5¾	5¾
Do B	5	5
Gr W	12	18
xGrning	400	400
xGryhk	18	18½
xGridoil	325	500
Guar T	20½	21
xGulch	9½	10
xGulf L	7	8
Gunn	15¾	15¾
Do w	700	710
xGurney	200	250
Do p	6	10
xGwilm	9	9½
Gyp	30½	30¾
Hahn	13½	16½
Do A	11	..
xHallnr	186	270
H Cot	13¾	15
Do p	16	..
H Carp	7½	8
xHd Rck	9½	10
xHar-M	8½	9½
Hartz A	8	9
xHasaga	14½	16
xH of L	7	8
xHdway	54	56
xHeath	6½	7
xHees	..	175
xHendsh	..	440
Do p	..	80
xHeva	5	6
xHigh-B	125	130
xHighw	19	23
H D	40	41¾
Hi-T	6½	7
xHold A	250	450
Do B	..	195
Holling	21½	21¾
Holt Ren	45	..
Do 1stp	92½	99
Do 2ndp	80	..
Ho O A	15	15¾
Do B	14¾	15
H Smit	28	28¾
Do p	43	..
xHoyle	390	395
Hud B	42¾	42¾
HB O G	16	16½
xH-Pam	18	19
Hu O A	12¾	..
Do p	25½	..
xHum O	96	100
Hur Er	36½	37
Imp B	44	44½
I Flo	25	28¾
I In A	7¾	8½
Imp L	55	59½
Imp O	38½	38¾
I Tob	13½	13½
Do p	6½	6½

	Bid	Ask
xInd L	5½	6
I Acc	30¾	30½
Do 450p	95	97
Do 225p	46	47
Do 275p	47½	51
Do wts	850	900
Inger A	6½	7½
xInglis	375	385
Do B p	10½	11
Inl C p	12¾	13
In G	6½	6¾
Do w	300	310
Do p	15	15½
xInspir	54	60
Int Bro	10½	11
Do p	21	24
I Mill p	70	..
I Nickel	71¾	71¾
I Pete	32½	33
xInt Ran	22½	23
Intprov	..	10
IPL B w	46	200
IPL	42½	42¾
Inv Syn	14	15
Do A	12½	12¾
xIrish	95	96
xIrn B	156	165
xJ Wal	14	16
xJacob	110	112
Jam Pub	24	29
xJaye	55	56
xJean	9	10
xJellico	17	18
xJburk	13	14
Jons-M	36½	37
xJoliet	23½	25
xJonsm	9½	10
xJows	46	49½
xJump P	23	25
xJupit	227	230
xKEL DA	..	460
Do wts	100	110
Kelvin	6¾	7
xKenvil	5	5½
Ker Ad	17½	17½
xKil	165	175
Do w	59	60
xKirk H	5½	6½
xKirk M	47	50
xKirk T	8	12
Labatt	20½	20½
Labdor	15¾	16
Lfge A	7	10
xL Cin	101	102
xL Duf	55	63
xLkind	305	315
Do D	82½	83
xL Ling	8	9
xL Osu	18½	21
xL Shor	410	425
xL Was	20	20½
L Wds p	125	140
xLa L	290	315
xLamq	250	270
xLAT Am	30	45
L Sec	19	19½
Do A	11	12
Do p	18	18
L J A	18½	21
Do B	20¾	23
xLeitch	128	130
xLenc	7	9
Lewis Br	10½	..
xLexndn	4½	5
xLLL	180	185
Lob	90½	100
Do 1 p	30½	30½
Do 2 p	52	..
Lob N A	24½	25
Do B	23¾	23¾
Do p	45½	45½
Loews	126	160
xLmega	4	5
xL Hos	205	250
Do A	5¾	6½
xLIP	8	9
xLorado	50	53
Do w	30	33
xLouvi	9	10
L St Law	17	19½
Lown	23½	24
xLyndh	20½	21
xLynx	5	7
xMacas	267	270
xMacdon	27	29
xMacfie	6	6½
Mackin St	9½	11
Do pfd	96	..
xMacL	95	98
MacM A	26	35
Do B	26½	26¾
xMadsn	208	210
xMages	35	80
xMagnt	4	4½
Mailmn	..	20
Do cu p	24½	28
xMajtrn	3½	4
xMalart	103	105
xMan U	7	8
M Su p	94	100
M L G	21	22
M L M	8½	8¾
Do p	85	95
xMralgo	32	33
xMarcn	6	8
xMargld	12	14
xMari	53	54
xMrtin	16	17
Mass-H	6	6½
Do p	79½	80
xMatat	30	60
Maxw	450	450
xMaybrn	12½	14
McB p	10½	11
McC B	24	..
MColl	52½	53
Do p	88½	91
McInt	73½	74
xMKen	13	14
xMMar	7½	8
xMWat	15	18
xMedal	251	259
xMent	12	13
xMerc	7	10
xMerril	76	80
Mery p	46½	48
xMeta	9½	10
M LP	12	12½
Do p	13¾	13¾
M Tr	9½	..
xMidcon	65	68
Mid P	17½	..
xMidr	70	75
xMidW	155	160
Do w	50	52
xMill C	20½	22½
xMillik	206	208
xMilt B	245	245
xMinda	8	10½
xMin Cp	970	1025
xMin En	7½	8
xMin Or	12½	13
Mitch & C	30	35
Mitch Ro	6	7
Do cl B	135	150
M C A	12	13½
xMogul	30	31
Mols A	29¾	30
Do B	29½	30
Moly	16½	17
Do w	645	..
xM Kn	375	450
Do p	..	75
M Mort	25	35
xMoneta	65	68
M Loco	15¾	16½
Mt 1 Tr	34	35½
Moore	68½	68½
Do A	1062	..
Do B	1632	..
Morg & C	18	..
Do 4½%p	97	98½
xMulti	43	45
xNama	22½	23
Nat Dr	12¾	12¾
Do p	12½	12½
xN Exp	16	17
N Groc	20	22½
Do p	26	26½
xN Hos A	..	5
Do B	405	460
N Lead	86½	86¾
xN Pet	185	195
N St C	..	21¾
Nat Tr	40	40½
xNealon	5½	6
xNello	12	14½
Neon	12½	15
xNes L	26	28
xN Alg	6½	7
xN Ath	20	25
xN Bid	5	6
xN Bris	23	25
xN Cal	18	19
xN Chb	111	115
xN Conc	28	35
xN Cont	29	30
xN Dav	19	20

	Bid	Ask
xN Del	37	40
xN Dick	218	222
xN For	14	15
xN G Ex	120	125
xN Gvue	5	5½
xN Harri	14	15
xN High	12½	14½
xN Hos	14	17
xN Jas	6½	7
xN Kel	7	7½
xNlund	15	16
xN Man	26	28
xN Min	9	10
xN Myla	22	22½
xNnor	6	6½
xN Rou	6	7½
xN Sen	4½	6
xN Sup	121	125
xN Taku	13	14
Nia W	9	10
Do B	9¾	10
xN Rim	85	88
xNipis	125	130
xNisto	6	6½
xNor-Ac	12	[illegible]
Noran	39½	[illegible]
xNogld	7	8
xNorlar	9	9½
xNrmet	230	238
xNorpax	24	25
xNorsyn	9	10
xNorcal	14	16
xNCO	282	285
Do w	125	140
Do p	..	33
xN Rk	39	40
Nong	10½	11½
xNthsp	330	335
Do A w	199	200
N Star	12	13
Do A	..	13½
Do p	40¾	42
Do w	330	375
Do w56	135	150
Do w57	325	330
xN Can	110	119
NQ P	22¾	23¾
Do 1 p	40	47
xNor Ph	293	310
Nthld Ut	13	14½
NW U p	81¾	84
xNthld	21½	27
xNorval	12	13½
xNudul	16	19
Oak W	7½	8
xObask	4½	5
xOBrien	49	53
OC Cem	14½	15
Off Sp	13	17
xOgama	6	6½
xOka R	13	14
xOkalt	143	145
xOLear	14	15
xOB S	50	..
Do p	8	..
xOJC	180	185
Do p	8½	8¾
Do B p	7¾	7¾
Do w	44	48
O Loan	25½	..
O Stl	20	21
Do p	125	..
xOpem	680	690
xOr Cr	325	325
xOrena	12	12½
xOrms	21½	24
xOsisk	28	30
Pac P	16¾	17½
Pge Her	116½	118
xPmour	46	48
xPan W	24	27
xParam	5½	6½
xParbec	5½	6½
xPardee	38	42
xParker	300	300
xPater	40	46
Patno M	375	475
xPymst	16½	17½
xPce Expl	13	15
xPriess	35	36
Pbina n	7	7¾
Do p	43	46
Pnmns	24	25½
Do p	105	110
PCJI	14½	15½
Do p	92½	98
xPmo p	165	172
xPerron	26	27
xPeruv	83	100
xPetrol	52	53
xPhil	68	75
Ph Eng	38½	45
xPck Cr	107	108
xPion	130	140
xPit-Or	5	6
xPlacer	875	945
xPonder	28	32
Pow R	31¾	32
xP Rou	40	42
Pow Cp	59	59¾
xPrairie	225	250
xPr Brd	5½	6½
Prem T	95	..
xP Iron	345	375
xPres El	72	80
xPrest	510	530
Price Br	85	..
xPrnto	410	420
Do w	16	20
xPros A	100	104
xProv G	255	260
Prov Tr	11¾	12½
Do pfd	44	46½
xPrdex	6	7½
xQ Ascot	10	12
xQ Chib	45	47
xQ Cop	30	31
xQ Lab	7½	8
xQ Lith	550	560
xQ Man	12½	13
xQ Met	90	94
Qn Gas	23¾	24¾
Que Pwr	30½	30½
xQunst	14½	15
xQuem	825	840
Quin A	10½	11½
xQuin	300	..
xQnto	8½	10
xRdior	43	44
xRainv	23	25
Rap-Gri	7¾	8
xRayro	82	90
xReef	7	8½
xReeve	95	115
xRenab	145	149
xRexsp	30	34
Reyn p	86	86
xRichwll	116	120
xRio R	7	8
R Sk A	11	11½
Do B	450	500
xRix	30	38
Robert J	12½	13
Robetsn	12¾	13
Do $1 p	17	18
xRobin	..	400
Do p	125	250
R Little	10½	11
Do A	13¾	14¾
xRoche	11	13
xRckwn	30	30½
Do p	12	13
Roe AV	13½	13½
Do p 5¾	99½	100
Rolland P	13	15
xRowan	8	8½
Roy Bk	54	54½
Do rts	330	335
Roy O A	11	11¾
Royalit	12¾	13
Do p	24	25
Russell	7½	7¾
xRyanr	10	12
StL C	11	11¾
Do p	13¾	13¾
Do A p	98½	99
xSt Maur	50	55
xSt Mic	9½	11
Sal	15½	15¾
Do A	30¾	..
Do B	28	28¾
Do w	430	445
xSan A	47	50
xSand R	11	12
xSapph	60	64
Do deb	31	33½
Sar	15½	15½
Scfe A	7½	9
xScrry	220	225
Scythe	11	15
Do p	20	..
xSec F	450	460
N Shawin	25¾	25¾
Do A	28¾	32
Do p	44	45
Do B p	50	51
xShp Cr	36	38
Shertn	10½	..

	Bid	Ask
xShrt	410	415
Sher-Wm	33	35
Do pfd	120	..
Sicks	24½	..
Do vt	24	30
xSigma	400	410
Siknt	18½	18½
Do p	36	..
xSil Mill	42	44
xSil St	15	16
Silwd A	10¾	11
Do B	10¾	12½
Sim & So	33	35
Do 5%p	86	90
Simpsn	16½	16¾
xSiscoe	58	60
xSKD	130	135
Slt n	18½	18¾
Do p	43½	45
xSlocan	4½	6
Smvill p	47¾	47½
xSouris	10	11
Stham	40	40½
Sou Can	50	56
xSth U	15	17
Spartan	6¾	7
Do w	200	240
xSpoon	19	20
xStdcona	20	21
St Bds	45	45½
St Pav	37	37½
St Rad	12¾	14
xStanl	167	168
Do w	56	58
St B A	7½	8
Do B	6	..
xStnrck	186	188
xStnwl	73	75
xStarr	4½	5
Stedmn	27	27½
Stl Can	52½	52¾
xSteeloy	5	6
St R	10	10½
Ster Tr	38	40
Stov p	5	5½
Stu O	15½	15½
xStrgn	11	13
xSud C	6	7
xSulli	218	224
xSun Ex	14½	15
xS Prop	5½	6
Do p	21¾	22
Do w	165	180
Stest o	16½	16¾
Do c	300	375
Do p	99½	..
xSurf I	4	5
Switsn	335	350
xSylvan	112	114
N Tmbln	20	..
Do p	42½	44
xTandm	11½	12
xTaurc	51	53
Do vt	50	53
Tay P C	7¾	8
Do p	9	11
xTeck-H	155	158
xTemag	131	135
xTex C	36	37
Tex Co	59¾	59¾
xTho L	83	88
xThom P	295	375
xTiara	6	7
TT C A	..	7
TT Tlrs	7	13
xTmbill	26	28½
xTorbit	24	27
T-D Bk	39½	39¾
T Elev	17	17¾
T Gen T	33	35½
T Iron	26½	28
Do A	27	28
Tor Mor	100	..
T Sav	40	..
xTowag	7	11
T Fin A	37	37½
Do B	35½	35¾
Do 4½%	92	95
Do 5%	40	40½
Do A r	14	18
Do B r	14	..
Do w	20	..
xTr Can	70	76

	Bid	Ask
T C Pl	28½	28½
Tr-Mt	47½	47¾
Tr PPL	23	23½
xTr Res	13½	14
xTriad	425	430
xTribag	22	24½
xTrin	17	20
xTw Cit	365	375
xUlt-Sh	33	34½
xUn A	6½	6¾
Do 2 p	8¾	9
U Gas	76½	77½
xU Min	17½	19
xU Asb	375	380
U Cp A	28½	29
Do B	17	18
xU Est	7	7½
U Fl A	55	57
Do B	48	49½
xU Keno	365	400
xU Mont	8	10
xU Oils	187	189
Un Stl	12½	13
U Prd	23¾	24½
xUpp C	65	66
xVanad	400	400
xVando	6	6½
Vent	23½	23½
Viau Ltd	..	70
xVicroy A	5	5
Do B	175	200
xVico	5½	6
V G Tr	26½	26½
xViolm	124	125
V Dar p	9½	12
xVul	38	48
xWainwr	300	315
Waite	610	620
W G W	26½	26¾
W Eq	5½	6
xWayne	10	11
xWebb K	225	235
W Copp	8½	8½
Do w	175	180
Weburn	67	..
xWeedon	20	23
xWernr	8	10
W Mas p	115	500
xWspac	27½	28
xW Mal	5½	6
xW May	168	175
West	13¾	14½
W C Br	30	35
xW Dec	167	169
Do w	25	29
W G A	33	39
Do p	25½	25¾
xW Lse	425	450
xW Nac	105	108
W Ply B	13½	14
Wstn A	25	25½
Do B	25	25½
WN pr 4½	93	93½
Do pr 6	103½	104½
Do A w	850	895
Wh 1 p	..	31
Wh Pass	6¾	7¾
xWlroy	77	80
Do w	36	45
xWiltsy	16½	17
xWinch	5½	7
Wdfall	12	12½
W Cent	330	335
xW Aix	360	415
GH W p	93	..
Wood A	28½	29½
Do P	90	95
Wdrd A	11½	11¾
xWl Cb	7	8½
xWr H	132	140
WC OG	175	180
Do r	14	16
xYale	12	13½
xYan C	6½	7
xYellor	6½	8½
xYk B	74	78
xYkn A	195	200
Do B	30	60
xYukno	4	5
Zeller 4½%	46	47
xZenmc	27	28
xZulapa	13	17

x—Quoted in cents

Toronto Curb

	Bid	Ask
xAndian	400	800
A C	28	28¾
Ang-N	5	5½
Asbest	30½	31½
B A B	35	..
xBulolo	400	415
CD Sug	24½	24½
C Ving	20½	20½
C Brnse	25	25½
Do p	..	96
C Cott	..	10
Do p	450	600
CG Inv	26½	27½
C Ind	15½	16½
CIL p	79	85
C Ing	40	60
xC Marc	225	240
C West	47	48
xCst C	190	500
C Pap	33½	33¾
xDalh	14	15
De Hav	141	250
D Glass	64	64¾
Do p	13½	..

	Bid	Ask
DOC	32½	33
Dupont	16¾	17½
Do p	83	85
Gaspe	21	21¾
Hayes	18	21
I Pap	86½	87¾
I Util	34½	35½
Lang p	39½	45
Lob I	82	84
M Lrn	63	80
MO Pap	23½	24
Ogilv	28½	29½
Do p	130	165
xPato	315	325
xPend O	184	189
Price	39	39¾
Rdgwy	..	18½
Sngmo	12	13½
xSW P	95	130
xTh CG I	480	34
Twin C	8½	..
xYuk C	63	68
Zellrs	27	37½

x—Quoted in cents

Canadian Stock Exchange

	Bid	Ask
Abit Lbr	42	45
Beaubrn	27	28
Beld Cor	6	8
Do pfd	9½	..
Beig St	450	..
Do pfd	11½	..
Btrfly Ho	175	300
C Floor B	13½	..
C Arena	150	155
C Int Iv	14	15
Do pfd	79	81
C Pwr &P	5¾	6½
C Silk A	210	280
Catel B	39½	45
Cinzano A	55	..
C Div A	84	90
Do pfd	28	..
Crain R L	26	30
Da & F A	45	48½
Feralco I	150	175
For Pow S	..	5¾
Horner A	10½	12
Hot La Sal	40	..
Hubrd Fl	350	..
Do A	..	22
Hyd Ele	8¾	9½
I Pts A	7½	9
Do pfd	..	25
Inv Fnd	40½	45
Do pfd	50½	55
Lmbrt A	8½	10½
Do B	12½	..
Lat Inv	15½	16¾
Loch Oil	175	..
Lond Can	6	8
Melch D	8	8¾
Do pfd	13	14¾
Mtl Refin	39½	..
Mt Roy D	..	8
Mt Roy R	13	..
Mussen	..	11½
Nfld L&P	44	44½
Paton M	..	12
Do p 7%	..	22½
Paul Ser S	..	9
Pow Crp 1	45	46½
Do 2nd	65¾	..
Pref Stl	275	325
Que-Tel	20½	21
Reitmn	13	16
Ren Ch	15	..
Sngmo	10	..
S Can p	128½	133
Tr C Cor	9	10½
Pn Amu A	7½	..
Do B	6	8
Do vt A	..	9½
Un Dist	..	11
Watmn	5	5¾
Wilson JC	7¾	9
Wind Hot	21	24
Wd Mfg	41	45
Wdfrd B	10	..
MINES		cents
Alscope	22	24
Alta	5	..
Ameran	4½	5
Anthon	9	10½
Arno	4	5
Aull	9	10½
Bkr Talc	22	25
Bd-Ore	4	5
Bndwn	90	103
Brvale	4½	5
Btmn	16	17½
Betrce	4	5
Belchas	40	43
Bel-Chib	6	9
Bornite	10	11
Brnt Hill	15	20

	Bid	Ask
Cal Ur.	7	8
C Lithm	17	18
Canalask	12½	14
Canorma	24	28
Canuba	10	10½
Cap Lith	11	12
Cart-Mal	3	4
C Man	5	7
Chpmn	7	10
Clevlnd	9	10
Cominga	38	40
C Bi-Ore	5	6
C Monpas	6½	8½
C Que Y	5	5½
Contintl	355	365
Duvan	12	..
E Smelt	..	38
Fab Mtl	9	10
Fano	6	7
Fatimo	51	53
Fontana	3½	4
Fundy B	6	8
Gldn Age	21	24
Gul-P Ura	5	7
Haitian	3	3½
Hlcrst Col	70	..
Int Cer	52	54
Iso Ur	27	30
Jardun	3½	5
Kontik Ld	6½	7½
Lng Cop	4	5½
Lith	10	15
Marpic	28	30
M-Chib	44	48
Mogador	10	12
Monpre	40	43
N Form	8½	9¾
N Jack L	7	..
N Pac	109	115
N S'Tiago	4	4½
N Vinry	3	4
N W Amlt	10½	16
Nocana	4	6
N Am As	8½	..
N A Rar	142	143
Obalski	11	12
Opemisca	14	16
Orch Ur	12	15
Prtrdg	23	26
Paudash	37	39
Pennbec	15	..
Pitt	4	5
P Prim	5	6½
Prige	26	27
Q Smelt	22	23
Rd Crst	4½	5
S Dufault	4	5½
St Gld	11	12
Tache L	11	11½
Tarbell	4½	5
Tazin	17	18
Tib Exp	12	14
Trebor	7	8
Trojan	13	20
Valor L	7½	8
Virg Min	23	24
Wndil	2½	3
Wstvill	7	8
OILS		cents
Bonn'lle	15	17
Empire	10	12
Futurity	47	50
Gaspe	6	7
Gateway	3	5
Israel C	15	30
N Spr C	23	24
Phillips	70	80
Que Oil	5	5½
Titan Pet	31	40

Calgary Oils

	Bid	Ask
Albdna	3	3½
Ald-Led	4	5
Amalta	2½	5
Anacnda	137	150
Barons	4½	5
Basco	..	36
Bash Led	10	12
Bl Crown	11	13
C Fortun	4½	5
Carltn	..	85
Castle	12	13
Century	5½	6
Claybar U	10½	..
Command	..	90
Dom Min	3	3½
D Lshid	268	270
E Can	14	18
Edoran	6	7
F Nor Ex	..	40
Freehld	1½	2½
Gldn Sat	11	..
Gldn Spke	4	5
Hargal	2½	4
Hendrsn	6	..
Indn Che	..	105
Kenare P	4½	5
Keno	12½	14

	Bid	Ask
Leamac P	6	6½
Leduc Cal	9	9½
Lloydm D	27	50
Merlnd	26	27
M Creek	45	50
Mollusca	25	30
Monarch	4½	..
Rnchmn	17	20
N Rchfld	4½	5½
N Contin	1¾	1½
Nuco Pet	11	12
Reality	10	13
Rnfrw Pet	2	3
Rdgwy Pet	1	1½
R C Vent	27	..
Sage	55	70
Sastex	4½	8
Select	7½	10
Share	4½	6
Sil City	5	6
Sturg Pet	8	11
Trnsfld P	3	3½
Tri-Zone	..	6½
Tur Val	24	28
Vanalta L	17	30
W Warnr	7	10
York	7½	10

PARISH OF STE. MARGUERITE-DU-LAC-MASSON, Que., has sold $99,500 4½% 1959-68 and $162,500 5% 1969-78 serial debentures to **Credit Quebec Inc.** at 97.457 indicating net cost of 5.191%. Debentures callable after April 1, 1968. Proceeds for construction of road works and purchase of land. Net funded debt Dec. 31, 1957, $14,500. Population 1,146.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$21.86	$21.69	$18.50
Hogs	29.00	29.50	29.50
Copper, lb.	.23	.25	.32
Coffee, lb.	.54	.55	.59
Sugar, raw, lb.	.0550	.0548	.0565
Hides	.14½	.14½	.15
Weekly Commodity Indices			
Dow Jones	155.38	157.57	157.47
U. S. Labor	119.6	119.4	116.9
Monthly Commodity Indices			
Canada (D.B.S.)			
Retail (Feb.)†	123.7	123.4	120.5
W'sale (Dec.)	225.9	224.0	228.1
C. F'm Pro. (Dec.)	204.6	199.7	210.4
U. S. (Nov.)	118.0	▪117.8	115.9
Gt. Brit. (Nov.)•	146.3	148.8	159.2
Do. (Nov.)▲	141.3	140.7	136.7

Note: †Cost-of-Living Index Revised to the Base of 1949=100.

Base of price quotations is as follows: Cattle-Steers, good up to 1,000 lb., to price Toronto. Copper-electrotypes, New York. Coffee No. 4 Santos. Spot Raw Sugar 96 degrees centrifugal c.i.f.

▪Revised.

Gt. Britain Index Revised. Base year 1949.

•Basic materials Index (excl. fuel) for nonfood mfg. ind.

▲All mfg. products other than fuel, food and tobacco.

Municipal Bonds

Mar. 18, 1958.

Calgary	3½	'69	85¼	87¼	5.00
Edmonton	3½	'69	84¾	86¾	5.01
Halifax	3½	'66	88¾	90¾	4.90
Hamilton	3	'67	86	88	4.58
Montreal	3	'70	80	82¼	4.90
Moose Jaw	3½	'60	94¼	95¾	5.10
Ottawa	3¼	'68	88½	90¼	4.49
Regina	3	'64	87	89	4.90
Saint John	3½	'65	88¾	90¾	5.02
Toronto	3	'68	85	87	4.55
Vancouver	3¾	'69	88¼	90¼	4.90
Victoria	3¾	'68	88½	90½	4.90
Windsor	3½	'75	75	77½	5.50
Winnipeg	3	'69	82½	84½	4.74

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Mar. 17	421,500	1,798,000	18,815	......	2,700,000
Mar. 14	483,000	1,662,000	36,307	129,112	2,680,000
Mar. 13	290,600	1,457,000	46,413	88,107	3,470,000
Mar. 12	322,000	1,517,000	64,090	69,579	3,020,000
Mar. 11	343,300	1,852,000	38,039	135,468	3,240,000

NOTICES

WESTBURNE OIL COMPANY LIMITED
Notice of Annual General Meeting of Shareholders

Calgary, Alta., March 12, 1958

To the Shareholders of Westburne Oil Company Limited:

NOTICE IS HEREBY GIVEN that the Annual General Meeting of WESTBURNE OIL COMPANY LIMITED will be held at 550 Sherbrooke Street West, Room 990, in the City of Montreal, in the Province of Quebec, on Thursday, the third (3) day of April, 1958 at the hour of 12 o'clock noon, for the purpose of receiving the Report of the Directors and the consolidated Balance Sheet and consolidated Financial Statements for the fiscal period ended December 31, 1957, electing Directors and appointing Auditors for the ensuing year, and transacting such other business as may properly come before the Meeting.

By decision of the Board of Directors, only Shareholders of record or Bearers of Share Warrants on March 21, 1958, will be entitled to attend and vote at the Meeting.

Holders of share warrants who desire to attend and vote at the meeting, they must deposit their share warrants on or before March 31, 1958, at:

The Registered Office of the Company, 436 Lougheed Building, Calgary, (Alberta), or at

The Office of Montreal Trust Company in Calgary, (Alberta), or

The Office of Montreal Trust Company in Montreal, (P.Q.), or

The Office of L. G. Beaubien Co., 221 Notre Dame St. West, Montreal, (Quebec)

and receive a certificate which must be produced at the meeting, or if representation by proxy is desired, such certificate must be deposited with the proxy form at the Registered Office of the Company or at its Executive Office, 550 Sherbrooke Street West, Room 990, Montreal, (Quebec) before twelve o'clock noon, on April 1, 1958. Certificates deposited with proxy forms will be returned by registered mail immediately following the meeting or any adjournment thereof.

Returns of share warrants deposited as above will be made after the meeting or adjournment thereof upon delivery of the certificate to the office which issued same.

By Order of the Board,
L. CORNEZ, Secretary.

UNITED OILS, LIMITED
NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual General Meeting of United Oils, Limited will be held in the Spanish Room, Palliser Hotel, in the City of Calgary, in the Province of Alberta, Canada, on Tuesday, the 22nd day of April, A.D. 1958 at the hour of 11:00 o'clock in the forenoon, for the purposes of receiving and approving the report of the directors and the financial statements for the year ended December 31st, 1957, and the report of the auditors thereon, electing the directors and appointing the auditors for the ensuing year and fixing their remuneration and the transacting of such other business as may be properly brought before the meeting.

The Board of Directors has fixed the close of business on March 26th, 1958, as the record date for the determination of shareholders entitled to notice of and to vote at the meeting, or any adjournment thereof. The transfer books will not be closed.

DATED at the City of Calgary, in the Province of Alberta, this 13th day of March, A.D. 1958.

By Order of the Board,
N. D. McDERMID, Secretary.

Grain Prices

Winnipeg Futures

Week to March 17, 1958

Crop year from Aug. 1, 1957 High	Low		High for week	Low for week	Close Mar. 17
		Oats—			
.71½	.66½	May	.70	.68¾	.70
.69½	.65	July	.69½	.69⅛	.69⅜
.69½	.65	Oct.	.69¾	.69½	.69½
		Barley—			
.95¾	.89	May	.91½	.91	.91½
.93¾	.90¾	July	.91½	.91	.91½
.91½	.88½	Oct.	.91½	.91	.91½
		Rye—			
1.24¾	.98½	May	1.07⅞	1.04	1.05½
1.15¾	.98	July	1.08	1.04⅜	1.05½
1.09¾	.99	Oct.	1.08⅜	1.05¾	1.06½
		Flax—			
3.43¾	2.66	May	3.14½	3.02½	3.12½
3.34	2.37	July	3.07⅞	2.98	3.06
3.00	2.71½	Oct.	2.87½	2.79½	2.85½

Chicago Futures

Week to March 17, 1958

Crop year from Aug. 1, 1957 High	Low		High for week	Low for week	Close Mar. 17
		Wheat—			
2.28¾	2.13½	Mar.	2.26½	2.21½	2.25¾
2.24	2.08¾	May	2.23½	2.18¾	2.22¾
2.07¾	1.83¾	July	1.95½	1.91½	1.92¾
2.02¾	1.86½	Sept.	1.98½	1.94½	1.95½
2.06½	1.91½	Dec.	2.04½	1.99½	2.00¾
		Corn—			
1.38½	1.08½	Mar.	1.16½	1.14½	1.14½
1.36	1.12	May	1.18½	1.14¾	1.14¾
1.38	1.15¾	July	1.21½	1.17⅞	1.17⅞
1.29½	1.15	Sept.	1.22⅞	1.18½	1.18⅝
1.19½	1.11½	Dec.	1.19	1.15½	1.15½
		Oats—			
.72½	.61½	Mar.	.67	.66½	.66½
.72½	.59	May	.65½	.63¾	.64½
.68	.55¾	July	.62¾	.61½	.61¾
.64¾	.56¾	Sept.	.64½	.63½	.63¾
.66½	.62	Dec.	.66½	.66	.66½
		Rye—			
1.45½	1.20¾	Mar.	1.37⅞	1.32¾	1.36¾
1.45½	1.16¾	May	1.35½	1.29½	1.33½
1.35	1.08	July	1.21	1.16½	1.16¾
1.25½	1.10½	Sept.	1.24	1.19	1.19½
1.28	1.22	Dec.	1.28	1.23½	1.23½
		Soybean—			
		March	2.24¾	2.22½	2.23¾
		May	2.28½	2.25¾	2.27⅞
		July	2.30½	2.27⅞	2.29¾
		Sept.	2.25½	2.22	2.23½
		Nov.	2.23½	2.20½	2.20¾

Winnipeg Cash

	For Week Mar. 17 High	Low	Prev. Week High	Low
Oats—				
2 C. W.	.76¾	.76¾	.76¾	.76½
3. C. W.	.69	.68¾	.68¾	.68½
Barley—				
1 Feed	.88	.87½	.87⅜	.87½
2 Feed	.87	.84½	.84⅜	.84⅜
1 Malt	1.05½	1.05½	1.05½	1.05½
Rye—				
1 C. W.	1.05⅜	1.02¾	1.04⅜	1.02⅜
2 C. W.	1.05⅜	1.02¾	1.04⅜	1.02⅜

Chicago Cash

	For Week Mar. 17 High	Low	Prev. Week High	Low
Corn—				
3 Yell.	1.23	1.17	1.18	1.18
Oats—				
K. W.	.77	.73	.76	.73½

N. M. PATERSON & SONS LIMITED
FORT WILLIAM · WINNIPEG · MONTREAL
GRAIN DIVISION
Grain and Coal Merchants
Country and Terminal Elevators
1908-1958
STEAMSHIP DIVISION
Carriers of All Bulk Cargoes

K. A. POWELL (CANADA) LTD.
GRAIN SHIPPERS AND EXPORTERS
GRAIN FUTURES
Owners and Operators
Fort William Terminal Elevator Co. Ltd. and Powell Transports Ltd.
Head Office—563 Grain Exchange, Winnipeg, Man.
Affiliated Companies—Fort William, Ont., Montreal, Que., Vancouver, B.C.

McCabe Grain Company Limited
WINNIPEG, CANADA
LONDON, ENGLAND · VANCOUVER

THE WEEK'S QUOTATIONS

Quotations here listed are the official, exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto Winnipeg, Calgary and Vancouver

Bid and Ask quotes of Toronto and Montreal exchanges up to press time are published on page 43

Industrial Stocks

WEEK ENDING MARCH 14, 1958

Range 1957-58 High	Low	Div. R'te Mar.14 $	Y'ld %	Company	Sales	Last Mar. 7	Week end. Mar. 14 High	Low	Close or Latest
1.50	.35	..	..	Abitca Lumber..	12800	.44	.45	.42	.42
33½	22½	1.70	5.9	Abitibi	12129	27¼	29	27⅝	28¾
24½	22	1.12½	4.7	Do. 4½% pref..	1395	23¾	24	23½	23¾
9¾	7	.50	5.4	Acadia Atlan.	345	9	9¼	9	9¼
98	82	5.00	5.1	Do. 5% pref...	nil	..	B94	A98	98
21	17	1.20	6.0	Do. (A)	205	18¾	20	19	20
..	..	..	..	Admiral	nil	..	B8⅞	A8½	..
8⅞	6¼	.50	6.1	Agnew Surp.	100	19	8¼	8¼	8¼
9⅞	8½	.55	6.1	Do. pref.	65	9½	9½	9	9
1.85	1.15	..	..	Albt. Dist.	4210	1.50	1.50	1.40	1.40
1.70	1.10	..	..	Do. V.T.	2000	1.30	1.25	1.20	1.25

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Range 1957-58 High	Low	Div. R'te Mar.14 $	Y'ld %	Company	Sales	Last Mar. 7	Week end. Mar. 14 High	Low	Close or Latest
17	13½	1.00	6.3	Chateau-Gai	15	16	16	16	16
78	50½	‡2.00+‡1.00	..	Chrysler Corp.	187	†50	53	†50	50¾
.55	.50	*1s	..	Cinzano A	nil	..	B.56	..	.50
85	65	5½%	..	Do. 5½% pref.	nil	..	..	..	85
2.50	1.50	..	..	Circle Bar Knit.	nil	..	B1.50	A2.50	2.50
4½	4	..	..	Do. A	nil	..	B3½	A4½	13½
23¼	15	*	..	Cochrane-Dun.	nil	..	B17⅛	A19	17⅛
17	11⅝	.80	6.2	Do. A	nil	..	B13	A17	13
9	7½	..	..	Cockshutt Farm.	911	8¼	8¼	8	8¼
17¼	13	1.00	7.4	B. J. Coghlin	nil	..	B13¾	A14	13½
..	..	0.75+‡	..	Coll. Terminals	nil	..	B15	A18	11½
14½	14½	0.75+‡	..	Do. pref.	nil	..	B12	..	14½
13¼	9¼	.60	5.5	Comb. Enter.	960	11	11¼	11	11
11½	9	.80	8.8	Conduits Nat.	100	9⅝	9¼	9¼	9¼
140	80	2.00	1.6	Conf. Life	75	127	127¾	126½	127¾
8	5¾	.50	6.9	Cons. Bakeries	200	7½	7¼	7¼	7¼
1.60	.95	..	..	Cons. Div. Sec. A	522	1.00	.99	.97	.97
38	30	‡2.00	..	Do. pref.	5	†28	†28	†28	†28
7	6	‡1.25	..	Cons. Fire Ins.	nil	..	B3	A4	6
..	..	..	..	Cons. Food	nil	..	..	..	16½
28¾	16	.80+*.20	..	Cons. Min. & Sm.	12351	18	18½	17½	18¼
39½	24½	1.60+.40	..	Cons. Paper	7444	32	34	31¾	33⅞

[illegible]

Range 1957-58 High	Low	Div. R'te Mar.14 $	Y'ld %	Company	Sales	Last Mar. 7	Week end. Mar. 14 High	Low	Close or Latest
104	80	‡3.00+‡	..	Int. Paper	644	87¼	88¾	35½	87
88	88	‡4.00	..	Do. pref.	nil	..	..	..	88
57⅞	31½	‡1.40	..	Int. Pete.	1335	33½	34½	33¼	34½
70	20	‡1.00+‡	..	Int. Util.	2810	26	26⅛	25½	25⅛
14	10	*.17½	..	Interp. Bld. Cr.	20	10⅝	10	10	10
1.55	40	..	..	Do. B warr	nil	..	B.46	A2.00	.46
62	32¼	*.70	..	Interp. Pipe	6780	42½	44½	41¾	43⅞
42	39	2.40+*.15	..	Invest. Foundat'n	nil	..	B40½	A45	40½
97	51½	3.00	4.9	Do. pref.	nil	..	B50½	A55	61
19	10⅛	*.25+‡	..	Invest. Synd.	570	13¼	12⅞	12⅛	12⅛
15½	8½	*.25+‡	..	Do. A	1465	12½	12¾	12½	12¾

J, K, L

Range 1957-58 High	Low	Div. R'te Mar.14 $	Y'ld %	Company	Sales	Last Mar. 7	Week end. Mar. 14 High	Low	Close or Latest
24	20	1.50	6.5	Jam. Pub. Ser.	nil	..	B24	A29	23
105	95	7.00	7.0	Do. pref.	nil	..	..	..	100
48	41¼	‡2.00	..	Johns-Man.	nil	..	B37½	A37¾	†40
10¾	10	.60	6.0	Johnston T. 6% p.	nil	..	B10	A10⅜	10
16½	14¾	.80+*.20	..	Journal Pub.	nil	..	..	..	16
4.40	4.10	.25	5.4	K. Doug. & C. A	2250	4.35	4.65	4.45	4.65
1.10	.75	..	..	Do. warr.	1825	..	1.10	.75	1.00
9¾	5¾	‡.15	..	Kelvinator	145	6⅞	7½	7	7¼

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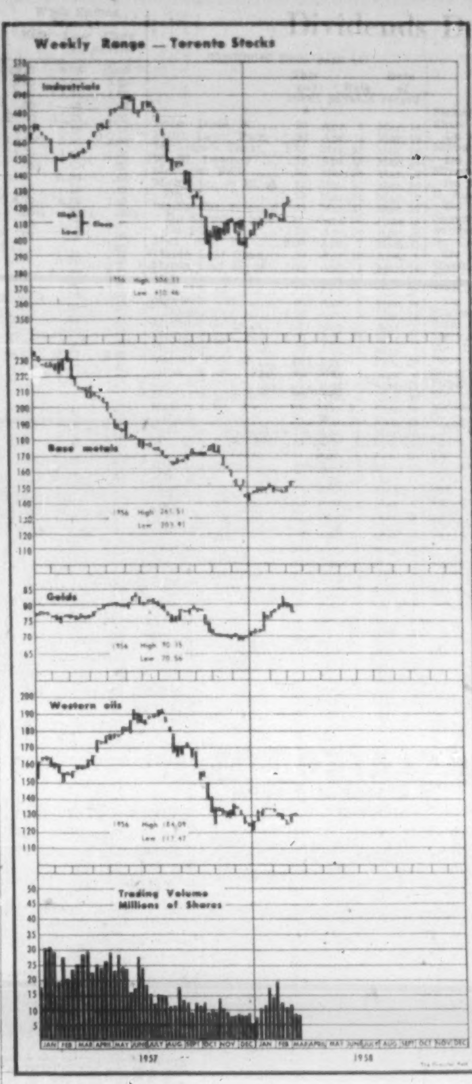

Dividends

	This payment $	Date payable	Date of record
Abitibi Pwr. & P.	.42½	Apr. 1	Mar. 1
Do 4½% pf	.28⅛	Apr. 1	Mar. 1
Acadia At. Sug.	.12½	Apr. 1	Mar. 10
Do A pf	.30	Apr. 1	Mar. 10
Algoma Steel	.25	Mar. 31	Feb. 28
All-Cdn. Divd. Fd	.06	Apr. 15	Mar. 31
Am. Cyanamid	†.40	Mar. 28	Mar. 3
Ang.-C. P. & P.	.50	Apr. 5	Mar. 14
Do pfd	.70	Apr. 19	Mar. 31
Anglo-C Tel A	.30	Jun. 2	May 9
Do pfd	.56¼	May 1	Apr. 10
Anglo-Nfld. Dev.	.07½	Apr. 3	Mar. 7
Anthes Imp pfd	1.31¼	Apr. 1	Mar. 21
Argus Corp.	.20	Jun. 2	Apr. 30
Do $2.50 pf ser. B	.62½	May 1	Apr. 15
Do $2.40 pf ser. A	.60	May 1	Apr. 15
Asbestos Corp.	.25	Mar. 28	Mar. 7
J. H. Ashdown H A	.15	Apr. 1	Mar. 10
Do B	.18	Apr. 1	Mar. 10
Ash Temp 6% pf A	1.50	Apr. 1	Mar. 20
Do 6½% pf B	.16¼	Apr. 1	Mar. 20
Assoc. Tel & Tel A	†1.00+‡2.00	Apr. 1	Mar. 3
At. Whislrs. A&B	.15	Apr. 1	Mar. 15
Do 5½% pf	.55	Jun. 2	May 15
Atlas Steels	.25	May 1	Apr. 3
Avalon Tel.	.10	Mar. 31	Mar. 1
Do 5% pf	.31¼	Mar. 31	Mar. 1

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(Continued on next page)

Range 1957-58 High	Low	Div. R'te Mar.14 $	Y'ld %	Company	Sales	Last Mar. 7	Week end. Mar. 14 High	Low	Close or Latest
25	10¼	..	..	Inland Cem. pf.	2461	12⅛	13	12¼	13
12⅝	5¾	..	..	Inland Nat. Gas	6371	6⅞	6¾	6⅜	6⅞
19	13½	1.00	6.6	Do. pref.	670	15	15¾	14¾	15¼
6.50	2.25	..	..	Do. warr.	1430	2.70	2.80	2.50	2.80
4.50	3.75	.24	6.4	Interior Brew. B	1000	4.00	3.75	3.75	3.75
12½	10	.70	6.8	Inter. Bronze	nil	..	B10½	A13	10¼
23½	20	1.50	7.1	Do. pref.	25	20	21	21	21
83	73	‡4.00	..	Int. Mill. pref.	nil	..	B70	..	†68¼
111	63¾	2.60+‡1.15	..	Inter. Nickel	15866	75⅞	77½	75	76
8¼	7¾	..	..	Inter. Paints A	nil	..	B7½	A9	8
25	20	1.20	6.0	Do. pref.	nil	..	B20	A25	20

Where there have been no transactions during the week covered, the word "nil" is shown under sales and the quotations shown are the bid, ask, and last sale price, instead of high, low and close.

S

Range 1957-58 High	Low	Div. R'te Mar.14 $	Y'ld %	Company	Sales	Last Mar. 7	Week end. Mar. 14 High	Low	Close or Latest
16⅞	10¼	..	..	St. Law. Cem. A	290	10½	12	10½	12
18¾	11⅝	1.00	7.3	St. Law. Corp.	19405	13⅞	14	13¼	13¾
100	87	5.00	5.1	Do. 5% pf.	495	98	99	98	98
1.35	.40	..	..	St. Maurice Gas	4600	.56	.55	.51	.55
15¾	10	.60	3.9	Salada-Shir.-H.	808	15⅛	15⅜	15	15⅜
31	23¾	1.37½	4.5	Do. A pfd.	45	30⅜	30½	30⅛	30½
29	27½	1.43¾	5.0	Do. 5¾% pfd.	520	28½	28¾	27¾	28¾
5.00	3.20	..	..	Do. warr.	955	4.50	4.60	4.30	4.30
12½	10½	‡.65	..	Sangamo	nil	..	B10	..	10½
15¾	13½	1.00	6.5	Sarnia Br.	50	15	15½	15¼	15½
7½	6¼	.80	12.8	Scarfe & Co. A	233	6¾	6½	6¼	6¼
..	..	‡.10	..	Do. B	nil	..	..	..	7½
15¼	12	1.00	8.3	Scythes & Co.	nil	..	B11	A15	12
21	21	1.25	6.2	Do. pref.	nil	..	B20	..	†20

Y, Z

Range 1957-58 High	Low	Div. R'te Mar.14 $	Y'ld %	Company	Sales	Last Mar. 7	Week end. Mar. 14 High	Low	Close or Latest
2.25	1.35	..	..	York Knitting A	125	2.00	2.00	2.00	2.00
.70	.35	..	..	Do. B	nil	..	B.20	A.60	.35
33	22	1.20	4.4	Zellers	435	27	27¼	26¾	27
47½	40	2.25	4.7	Do. 4½% pref.	225	47	47½	47½	47½

‡U. S. funds. ‡‡Participating divd. •Dividend deferred. •Stock divd. ‡‡Initial. ‡Shown in francs. †Less than Board lot. ‡Note: When sales show nil the figures are bid, ask and latest sale. §Paid in 1957. ‡Extra paid in 1957. *Paid or declared in 1958.

Mining Stocks

WEEK ENDED MARCH 14

Range 1957-58 High	Low	Company & Dividend ($)	♦Sales	Last Mar. 7	Week Ending Mar. 14 High	Low	Close or latest
.16	.05	Acadia Ur.	5325	.06½	.06½	.06½	.06½
.12	.04	Ad Astra	500	.09	.10	.10	.10
10.12½	2.25	Advocate	1300	2.50	2.65	2.60	2.60
.55	.28	Agnico	1500	.55	.45	.45	.45
.49	.25	Akaitcho	2000	.40	.41	.40	.40
.20	.04	Alba	8750	.05½	.06	.04½	.06
25.25	12.75	Algom	4935	15.12½	14.87½	12.75	14.00
100.00	92.00	Do 5% debs.	nil	..	B97.00	A97.75	97.50
17.00	4.50	D. warr.	4625	5.15	5.15	4.65	4.85
21.50	21.50	Do V.T.	nil	..	B14.00	A19.00	21.50
.70	.10	Alscope	51800	.26	.30	.25	.27
.11	.04	Alta.	nil	..	B.05	..	.05
.29	.10	Amal. Lard.	2500	.15	.15	.15	.15
2.00	.30	Amal. R.M.	1675	.47	.45	.40	.40
.17	.04½	Amer'm.	8500	.05½	.05½	.05	.05
1.98	.61	Am.-Neph .04	2110	.85	.86	.85	.86
.24	.05½	Amer. Stand.	2000	.07	.07	.06	.06
2.00	.44½	Anacon	13516	.51	.52	.49½	.50
13.00	8.50	Anglo-Hur. .50	400	10.50	10.00	9.95	9.95
.94	.24	Anglo-Rou	3500	.29	.26	.25½	.25½
.70	.09	Ansil	7385	.16½	.17	.16	.16
.30	.06	Anthonian	4000	.07½	.10	.10	.10
2.20	.12	Arcadia	21400	.20	.20	.18	.20
.82	.05	Do. warr.	1700	.12	.10	.10	.10
1.85	.37	Area	11000	.61	.60	.54	.60
.13	.06	Arjon	42000	.09	.14	.09	.13
.10	.03½	Arno	2400	.05	.05	.04	.04
.17	.04½	Atlas Sulp.	5000	.05½	.06½	.05	.06
.14	.05	Atlas Y'fe	2000	.07	.07	.07	.07
1.16	.16	Atlin-Ruff	86950	.27	.30	.25½	.26
.17	.03½	Aubelle	7500	.06	.06	.05	.06
.20	.05	Aull	17500	.10	.11½	.10	.11½
.39	.12	Aumacho	2000	.13	.13	.13	.13
.21	.05½	Aumaque	10000	.07½	.08	.07½	.07½
2.50	1.62	Aunor .16	2800	2.30	2.30	2.26	2.26
.12½	.04½	Avillabona	1500	.05½	.05½	.05½	.05½
		B					
1.75	.20	Baker Talc	3000	.23	.27	.24	.27
.14	.03	Band Ore	19500	.05	.05	.04½	.05
.69	.07	Bandowan	11400	.52	.69	.48	.69
.42	.12	Bankeno	1500	.15½	.15	.14½	.15
.12½	.06	Bankfield	nil	..	B.08	A.10	.08
.64	.17	Barnat	77467	.39	.40	.35½	.35½
.32	.05	Barvallee	1000	.05½	.05	.05	.05
.84	.10	Barvue	3500	.12	.15	.14	.15
.73	.47	Barymin ‡♦♦.03	8600	.65	.70	.67	.68
.92	.17	Base Metals	25000	.25	.26	.22	.24½
.47	.10	Baska	12850	.12½	.14½	.12	.14½
1.50	.13	Bateman	14600	.15	.18	.15	.18
.11	.04	Beatrice	8500	.05	.04	.04	.04
1.89	.15	B'Tie'dug.	14120	.23	.24	.23	.23
1.75	.45	Beaucage	12500	.70	1.07	.75	.90
.40	.09	Beaver L'ge.	8400	.16	.16	.15	.16
3.15	.86	Belcher	70375	.98	1.05	.95	.98
.86	.40	Bellechase	27100	.45	.45	.41	.44
.23	.06	Bell-Chib	1000	.08	.07	.07	.07
2.25	1.26	Belleterre .10	500	1.75	1.85	1.75	1.75
2.75	.53	Bethle'm	85700	.62	.85	.63	.80
.32	.10	Bevcon	12385	.12	.12½	.11	.11
.12	.04	Bibis-Yuk	4000	.06	.05½	.05	.05
2.65	.77	Bicroft	16183	1.08	1.08	1.01	1.03
1.70	.30	Do. warr.	3600	.40	.44	.40	.40
.70	.06½	Bidcop	nil	..	B.12½	A.15	.12½
1.12	.15	Black Bay	9100	.27	.27	.25	.27
.14	.04½	Bonville	1000	.05½	.06½	.06	.06½
.17	.06	Bordulac	2500	.06	.07	.06	.07
.36	.06	Bornite	11500	.14	.14	.11½	.12
.18½	.07	Bouscadillac	26400	.11½	.11½	.10	.10
1.56	.23	Bouzon	26100	.40	.44	.38	.41
19	.06	Boymar	27800	.11	.11	.10	.10
5.85	3.85	Bralorne *.10	7038	5.25	5.40	5.00	5.30
1.07	.50	Broulan Rf.	2500	.56	.57	.53	.53
.19	.04	Brunhurst	7000	.05	.05	.04½	.04½
.15	.05	Brunsman	500	.06	.06	.06	.06
12.50	2.45	Brunswick	7745	2.64	2.60	2.52	2.55
.11½	.04½	Buffadison	6000	.06½	.06½	.06½	.06½
2.50	.67	Buffalo Ank.	7500	.80	.80	.75	.77
.11½	.04½	Buff. R.L.	3600	.06½	.06½	.06	.06
4.50	3.00	Bulolo §.50	1616	3.85	4.45	3.90	4.30
.15½	.06	Bunker Hill	nil	..	B.07½	A.08	.07½
1.30	.15	Burnt Hill	3000	.18	.16	.15	.15
.20	.15	Burrex	nil	..	..	A.50	.20
		C					
.51	.10½	Cable	1500	.17	.18	.17	.17
.11½	.02½	Calumet	5000	.07	.07½	.07	.07
13.50	3.60	Camp Chib.	25703	4.70	5.10	4.70	5.00
7.90	4.50	Camp R.L. (*.30+.05)	2925	7.40	7.45	7.00	7.05
		CANADIAN					
.24½	.05	Cdn. Ast.	3566	.08	.07	.06½	.06½
2.70	.37	Cdn. Dyno.	15117	.87	.87	.82	.86
.45	.14	Cdn. Lith.	1500	.19	.18	.18	.18
.36	.18	Cdn. Mal.	5500	.25	.25	.22	.22
.40	.11	Cdn. N. Inca	642	.15	.16	.16	.16
.17	.04½	Cdn. Thor.	5000	.08½	.09	.08½	.08½
.82	.15	Canalask	4450	.17	.17	.16	.17
.69	.10	Canam	9400	.15	.16	.14	.15
.56	.14	Candore	500	.20	.18	.18	.18
1.02	.14½	Can-Erin	140410	.16	.18	.15	.18
5.60	1.38	Can-Met	38770	1.46	1.49	1.38	1.40
4.60	.66	Do. warr.	4400	.74	.75	.67	.70
.33	.15	Canorama	900	.22	.24	.20	.20
.55	.07	Canuba	4100	.10½	.10	.09	.10
.10	.03½	Canusa	6500	.04	.04	.04	.04
.54	.11	Capital	500	.11	.11	.11	.11
.57	.09	Captain	52300	.17	.17	.10	.12
.74	.44	Cariboo	9000	.65	.67	.65	.65
.07½	.02½	Cartier M.	10000	.03½	.03½	.02½	.02½
8.50	5.00	Cassiar Asb.	2170	7.30	7.45	7.20	7.40
5.35	3.00	Castle Tre. §.15	200	3.25	3.55	3.55	3.55
7.00	3.30	Cayzor §♦♦.03	400	3.95	4.00	4.00	4.00
.15	.05	Cen. Man.	nil	..	B.05	A.07	.05
2.90	.60	Cen. Pat.	4000	.92	.96	.90	.93
.15½	.06	Cen. Porc.	2000	.07½	.08	.08	.08
.28	.04½	Cheskirk	7000	.06½	.06½	.06½	.06½
.38	.15½	Chesterville	1500	.18½	.18	.17½	.17½
4.25	.27	Chib. Jac.	19638	.35	.39	.33	.38
.60	.10	Chib. K'Rnd	5000	.13	.13	.12	.13
4.25	.40	Chib. Min.	13500	.60	.70	.60	.65
1.52	.40	Chimo	8300	.52	.51	.48	.49
.46	.05	Chipman	10000	.08	.08	.07	.07
3.65	2.00	Chromium	6610	3.45	3.40	3.20	3.20
.40	.06½	Cleveland	1000	.10	.10	.08½	.10
....	....	Clix	nil	..	..	..	.12
7.00	1.75	Coast Cop.	nil	..	B2.50	A5.00	1.85
2.86	.75	Coch'nour §.08	41330	2.61	2.64	2.38	2.42
.85	.10	Cody-Reco	51500	.12	.16	.13	.13½
.19½	.10	Coin Lake	15752	.17½	.17	.15	.15½
2.14	.20½	Col'Stream	209850	.28	.36	.28	.34
.58	.20	Coleman A	nil	..	B.16	..	.20
.58	.20	Do. B	nil	..	B.16	..	.20
.16	.04½	Colomac	45,500	.05	.05½	.05	.05
.41	.26	Commercial	52075	.35	.37	.30	.37
.55	.20	Cominga	5000	.40	.37	.35	.35
2.80	.50	Coniagas	20800	.55	.65	.57	.57
.45	.24	Coniaurum	nil	..	B.30	A.33	.32
.44	.16	Conkey	1125	.22	.24	.23½	.23½
.21	.05	Conro	2000	.08	.07½	.07½	.07½
.49½	.06	Con. B'keno.	9100	.14	.14	.12	.14
.23	.06	Cons. Beta	3000	.09	.09	.09	.09
.27	.04½	Cons. Bi-Ore	3500	.06	.05½	.05	.05
.55	.12	Cons. Callinan	10373	.13½	.13½	.12	.12
.18	.05	Cons. C. Cad.	nil	..	B.06	A.08	.07
25.37½	9.35	Cons. Denison	21164	12.12½	12.37½	11.87½	12.25
17.50	2.50	Do. warr.	41350	3.75	3.80	3.35	3.45
3.15	2.15	Cons. Disc'y §.22	10750	2.88	2.85	2.60	2.70
2.05	.47	Cns. Fnmore	3483	.51	.54	.50	.50
.11	.05	Cons.-Gillies	1000	.05½	.06	.06	.06
.45	.15	Cns. Gold Arr.	2000	.20	.19	.18	.18
.00½	.00½	Con. Goldfield	nil	...	....	....	.00½
1.38	.23	Cns. Hall'well	29850	.29	.31½	.28	.29½
3.75	1.40	Cons. H'y	1710	1.72	1.78	1.69	1.78
1.09	.10	Cns. Marbnr	14300	.28	.28	.25½	.25½
.54	.15	Cns. Marcus	7499	.49	.50	.45	.49
.18	.06	Cns. Monpas	1500	.06	.09	.08½	.08½
.82	.17	Cns. Mor'son	11000	.21	.24½	.22	.22
.75	.38	Cns. Mosher	21450	.57	.55	.51	.55
.38	.16	Cns. Negus	3500	.18	.17	.16½	.16½
.16	.04	Cns. Nich.	17000	.06	.06	.05	.06
1.05	.20	Cns. N'land	2100	.30	.32	.31	.31
.22	.07½	Cns. Pershcrt	2000	.11	.12	.12	.12
.95	.40	Cons. Que. G.	nil	..	B.47	A.50	.45
.22	.05	Cns.-Que. Y.	3000	.06	.06	.06	.06
.30	.08½	Cns. Red. P.	3000	.10	.10	.09½	.09½
1.89	.12½	Cns. Regcrt	17300	.13	.14	.12½	.13½
.18½	.04	Cns. San'rm.	10,000	.07½	.07	.06½	.06
28.75	16.00	Cons. Smelt. .80+*.20	12351	18.00	18.50	17.50	18.25
3.50	.47	Con. Sud'ry.	49810	.69	.85	.70	.83
.40	.06	Con. Tung.	22150	.11	.12½	.10	.10
5.25	2.00	Cont. Min.	26596	3.60	3.65	3.40	3.65
1.20	.65	Cont. Potash	600	†.25	†.45	†.25	†.45
7.50	2.25	Conwest	1249	2.55	2.70	2.55	2.55
1.23	.15	Copper Corp.	14000	.18	.21	.19	.21
.32	.07	Copper Man.	20000	.08	.09	.08	.08
5.20	1.07	Cop. Rand	37311	1.25	1.52	1.23	1.52
1.09	.32	Coulee	20200	.55	.57	.51	.52
.15	.06	Cournor	nil	...	B.07	A.12	.10
1.50	.50	Cowichan	4300	.67	.70	.67	.70
.15	.05	Crestaurum	nil	...	B.07½	A.08½	.07½
.28	.07	Croinor	2500	.08	.09½	.08	.09½
.42	.08	Crowpat	16425	.08	.08½	.08	.08
....	....	Cryderman	nil	...	B.00¼	A.01	.00¾
.36	.05	Cusco	3142	.08½	.09	.08½	.09
		D, E, F					
.19	.09½	Dablon	334	.13	†.08	†.06	†.08
.55	.14	Daering	1000	.18½	.20	.20	.20
.47	.10½	D'Aragon	7100	.16	.15	.14	.14
.62	.24	Decoursey B.	7925	.33½	.34	.30	.30
.34	.10	Deer Horn	nil	...	B.13½	A.15	.14
.17	.07	D'Eldona	2300	.09½	.08	.08	.08
1.15	.51	Delnite §.02	nil	...	B.52	A.59	.59
.18	.08	Dickstone C.	nil	...	B.09	....	.10
.34	.15	Dolsan	8250	.34	.32	.29	.31
15.37½	10.75	Dome .70+‡.05	5065	14.50	14.75	14.12½	14.12½
.37	.06½	Donalda	56000	.17	.17	.15	.16
.10	.02	Doreen	500	.03½	.03½	.03½	.03½
.73	.10	Duvan	20300	.15	.15	.10½	.14
.26	.07	Duvex	7325	.08½	.09	.07	.08
.16	.05	East Amph.	3094	.08½	.08½	.08	.08½
1.94	1.10	E. Mal. §.05	9700	1.41	1.42	1.41	1.41
5.25	1.55	E. Sull. §•.15	7175	1.91	2.10	1.91	2.05
.50	.07	East. Metals	11600	.08½	.11	.07	.09
4.10	.34	E. Min.	77533	.39	.41	.34	.38
.70	.25	Elder	84900	.65	.68	.64	.65
.37	.12	Eldrich	2000	26	.25	.25	.25
.82	.07½	El Sol	19026	.12	.12	.11	.11
1.03	.24	Eureka	28800	.30	.30	.24	.24
.49½	.10	Explor. All.	35000	.17	.18½	.17	.17
.29½	.09	Fab. Met.	2000	.09½	.09½	.09	.09
42.75	20.12½	Falconbridge §1.00+.20	5482	24.50	25.00	24.25	24.87½
.30	.06	Fano	9000	.07	.06½	.06	.06
3.20	1.08	Faraday	50475	1.48	1.50	1.42	1.45
1.95	.34	Do. warr.	4320	.55	.55	.50	.50
.38	.37	Farnorth	1500	.37	.38	.38	.38
.41	.08	Farw't Tung.	14500	.09½	.11	.10	.11
1.34	.42	Fatimo	7100	.55	.59	.53	.58
.24	.05	Federal	2000	.08½	.08½	.08½	.08½
.01¼	.00¼	Flin Flon	nil	...	B.00½	A.00¾	.01¼
11.37½	5.90	Florida	29405	8.95	11.37½	8.90	11.00
.14	.03	Fontana '45	200	.04	.03½	.03½	.03½
.35	.25	Forty-Four	nil	...	B.20	A.30	†.15
.21	.05	Francoeur	2000	.06	.06½	.06½	.06½
.36	.05	Friday	3000	.08	.09	.09	.09
3.10	1.06	Frobisher	15640	1.48	1.50	1.40	1.50
81.00	62.50	Do. 4% deb.	nil	...	B68.00	A78.00	67.50
.22	.04½	Fundy Bay	5600	.07	.07	†.03	.06
		G					
.35	.04½	Gaitwin	13000	.07	.06½	.06	.06
1.30	.26	Galkeno	7933	.38	.39	.34	.39
37.50	17.50	Gaspe Cop.	95	20.00	21.00	20.00	21.00
18.87½	7.00	Geco	6271	9.05	9.60	8.85	9.50
.42	.09½	Genex	11420	.14	.14	.11	.13
1.30	.20	Geo-Scient.	nil	...	B.30	A.35	.31
.27	.08½	Giant Mas.	2865	.09	.10	†.07	.10
9.10	3.70	Giant Yk. §.30	5600	5.70	5.85	5.30	5.30
2.30	1.10	Glacier	10725	1.80	1.85	1.70	1.80
.70	.07	Glenn Ur.	2000	.12	.10	.10	.10
.28	.12	Goldale	2100	.15	.15	.15	.15
.16	.06	Gold Crest	42500	.09	.11	.09	.10
.10½	.06	Gold Eagle	nil	...	B.06	A.07	.07
.04½	.01	Gold Lake	2000	.01½	.01½	.01½	.01½
.47	.15	Gold Age	100	.25	.20	.20	.20
2.10	.28	Gold. Man.	21730	.28½	.30	.29	.30
.34	.08	Goldfields	2000	.12	.08½	.08	.08½
.25½	.06½	Graham R.	3600	.07½	.07½	.07	.07
11.00	4.00	Granby	200	5.00	5.00	5.00	5.00
.49	.11	Grandroy	41550	.33	.31	.26½	.30
5.60	.91	Granduc	23450	1.18	1.35	1.05	1.07
.17	.05	Grandview	500	.07	.05	.05	.05
.03	.03	Great Falls	nil	...	B.00½	A.02	.03
.67	.16	Greyhawk	35650	.19	.20	.18	.18½
.13	.03	Gui-Por. Ur.	250	.04½	†.02½	†.02½	†.02½
.49	.06	Gulch	12000	.10	.10½	.09½	.09½
.14	.05	Gulf Lead	4500	.08	.08½	.07	.07½
21.75	10.25	Gunnar G.	6570	16.00	16.12½	15.50	15.50
14.00	4.50	Do. warr.	3680	7.00	7.10	6.70	6.70
.13	.04½	Gwillim L.	8100	.08½	.08	.07½	.07½
		H, I, J					
.21	.02	Haitian	5000	.03½	.03½	.03½	.03½
3.00	1.70	Hallnor §.13	220	2.00	2.00	2.00	2.00
.18	.08	Hard Rock	1000	.09	.09½	.09½	.09½
.62	.03	Harr. Min.	6000	.09	.09	.08½	.09
.27	.13	Hasaga	1727	.14½	.14½	.14½	.14½
.17	.05	H'd of Lakes	1500	.07	.07½	.07	.07
1.07	.37	Headway	30710	.55	.56	.53	.53
.18	.04½	Heath	11000	.07	.07½	.07	.07½
.12½	.04½	Heva	19000	.05½	.06	.05½	.05½
2.00	.83	High.-Bell	3900	1.35	1.31	1.25	1.27
36.00	17.50	Hollinger .24+*.06	7748	22.00	22.50	21.75	22.00
7.00	2.80	Hoyle	4300	3.55	3.75	3.30	3.60
86.50	40.37½	Hud. Bay *.75	6934	43.00	44.25	42.00	43.25
.46	.18	Hugh-Pam	3000	.18	.18	.18	.18
1.20	.60	Ind'n Ch. & E.	2200	1.05	1.07	1.05	1.07
.24	.05	Indian L.	44200	.06	.07	.06	.06½
.90	.35	Inspiration	4000	.56	.61	.53	.55
.69	.14	Int. Ceramic	117700	.55	.55	.45	.53
111.00	63.75	Int. Nickel 2.60+‡1.15	15868	75.62½	77.50	75.00	76.00
.41	.09	Int. Ranwick	62050	.23	.23½	.21½	.22
2.30	.33	Irish Cop.	65767	.88	1.05	.92	1.00
5.20	1.40	Iron Bay	3000	1.50	1.65	1.55	1.65
.02	.01	Island Lake	6000	.01	.01	.01	.01
.84	.16	Iso. Uran.	6600	.28	.29	.26	.26
.33	.10	J. Waite §♦.02	600	.14	.14	.14	.14
1.38	.50	Jacobus	27550	1.18	1.23	1.15	1.20
.13	.02	Jardun	24000	.03½	.03½	.03	.03
.96	.18	Jaye	114005	.51	.60	.50	.59
.65	.07	Jeanette	3514	.09	.10	.09	.09
.62	.13	Jellicoe	48025	.19	.19	.18	.19
.28	.09	Joburke	6300	.13	.14	.13	.13
.73	.18	Joliet Que.	3000	.27	.27	.26	.26
.25	.07	Jonsmith	11100	.10	.10	.09	.09½
1.05	.32½	R. J. Jowsey	5664	.49½	.50	.48	.49
		K, L					
.18	.04	Kenville	5500	.06	.06	.05½	.05½
18.50	13.50	K.-Addison .80	8022	18.00	18.00	17.75	18.00
3.80	.90	Kilembe	3400	1.40	1.60	1.40	1.55
.98	.22	Do. warr.	18200	.50	.59	.40	.55
.26	.04½	Kirk. H. Bay	5000	.06	.06	.05½	.05½
1.34	.46	Kirk. Min.	20132	.46	.54	.48	.50
.22	.11	Kirk. Town.	12300	.12½	.12½	.11	.11
.23	.04½	Kontiki Ld.	100	.07	†.03	†.03	†.03
.03	.01	Koot. Base.	7500	.01	.01	.01	.01
25.00	10.75	Labrador §.75	2682	16.00	16.37½	15.87½	16.25
1.60	.70	Lake Cinch	4825	1.05	1.02	1.00	1.00
1.82	.32	L. Dufault	1256	.55	.60	.60	.60
.16	.06	L. Lingman	7000	.09	.09½	.08½	.08½
.29	.12	L. Osu	2000	.19	.20	.18	.18
8.00	3.50	L. Shore	675	4.35	4.60	4.30	4.30
.22	.12	L. Wasa	6000	.20	.20	.20	.20
4.25	2.50	La Luz	300	2.85	2.85	2.85	2.85
2.95	2.05	Lamaque §.20	1100	2.55	2.60	2.55	2.55
.50	.26½	Latin Am.	1000	.30	.30	.30	.30
1.53	.73	Leitch G. *.03	162500	1.32	1.44	1.32	1.35
.17	.05½	Lencourt	nil	...	B.08½	A.09	.09
.42	.04	Lexindin	36200	.05	.05	.04½	.05
.13½	.03½	Lingside	14500	.04	.05	.04	.05
.60	.05	Lithium	nil	...	B.10	A.15	.15
3.50	1.30	Little L.L.	2350	1.85	1.94	1.85	1.90
.13½	.03½	Lomega	63143	.05	.05	.04	.04
1.70	.49	Lorado Ur.	17850	.54	.55	.51	.51
1.49	.27	Do. warr.	3600	.30	.37	.29	.32
.23	.07	Louvicourt	19000	.10	.10	.09	.09
.30	.09	Lyndhurst	35900	.20	.22	.19	.22
.11	.06	Lynx Yk.	2000	.08	.07	.07	.07
		M					
3.05	1.72	Macassa .12+‡.03	7750	2.70	2.75	2.65	2.70
.65	.20	MacDonald	2000	.28	.28	.27	.27
.18	.05	Macfie	2000	.06½	.06	.06	.06
1.34	.85	Macleod §.10	3125	1.00	1.05	1.00	1.00
2.44	1.35	Mad. R.L. §.10	22100	2.06	2.14	2.05	2.05
.11½	.04	Magnet	1500	.05	.04½	.04½	.04½
.11	.03	Majortrans	4000	.03½	.04	.04	.04
1.85	1.03	Malartic	19800	†1.03	1.10	1.03	1.03
.34	.07	Maneast Ur.	14500	.07½	.08	.07	.07
.62	.19	Maralgo	52125	.35	.35	.31	.35
.15	.04½	Marcon	3000	.08	.07	.06½	.06½
2.10	.40	Maritimes	144650	.46	.54	.45	.54
.83	.18	Marpic	8300	.35	.35	.30	.30
.21	.08	Martin McN.	219500	.17	.18	.15	.17½
....	....	Massberyle	nil	...	....	....	.25
.60	.30	Matachewan	nil	...	B.30	A.60	.30
.89	.09½	Maybrun	12400	.14	.14	.12	.12
116.00	66.50	McIntyre 2.00+*1.00	330	75.00	75.37½	74.00	74.00
.30	.10½	McK. R.L.	7500	.12	.12	.11½	.11½
.20	.05	McMarmac	4000	.08	.08	.07	.07
.53	.15	McWatters	500	.18	.17	.17	.17
.45	.10	Mentor Exp.	10000	.14	.14	.13	.13
2.08	.55	Merrill Is.	50750	.70	.82	.68	.80
.24½	.06	Meta Ur.	11000	.10½	.10½	.09	.10½
1.92	.40	Mid-Chib.	7400	.44½	.47	.42	.42
1.70	.60	Midrim	12900	.80	.84	.72	.72
.63	.08	Midwest	2000	.09	.08¾	.08½	.08¾
4.45	1.61	Milliken L.	24795	2.15	2.20	2.08	2.14
.17	.07	Mindamar	2500	.08	.08½	.08	.08½
21.50	9.10	Mng. Corp. §.75	4356	10.00	10.25	9.60	10.25
.45	.07	Min. End.	17000	.09	.08½	.07	.07½
.30	.06	Min. Ore	15000	.14	.14	.13	.13
.66	.07½	Mogador	1500	.12	.10	.10	.10
2.05	.35	Mogul	45500	.38	.37	.35	.35
1.75	.80	Molyb'nite	3900	1.05	1.05	1.00	1.00
1.09	.52	Moneta	4700	.68	.68	.65	.65
1.03	.15	Monpre	9500	.40	.40	.36	.40
2.65	.50	Montgary	9690	.79	.79	.73	.73
1.16	.40	Multi-Min.	1200	.43	.44	.44	.44
		N					
.84	.18	Nama Cr.	65000	.25	.25	.23	.25
.63	.15	Nat. Ex.	20500	.19	.18	.16½	.16½
.28	.04	Nealon	12500	.05½	.06	.05	.06
.46	.11	Nello Min.	13500	.12	.12½	.11	.11
.90	.20	Nesbitt L.	4400	.30	.28	.25	.25
.16	.11	N. Ainsworth	5500	.12	.12	.11½	.12
.23	.05	N. Alger	5000	.07	.06½	.06½	.06½
.65	.15	N. Athona	1700	.25	.24	.24	.24
.12½	.03½	N. Bidl'e	4000	.05	.05½	.05	.05
.56	.17	N. Calumet	8300	.21	.20	.19	.20
.35	.10	N. Cronin	nil	...	B.11	....	.11
1.29	.30	N. Delhi	15950	.42	.40	.37½	.37½
2.59	1.22	N. Dick'n §.10	15140	2.30	2.40	2.24	2.25
.62	.07	N. Formaque	17000	.08½	.09	.08	.09
.24	.07½	N. Fortune	22400	.15	.16	.14½	.14½
.24	.03	N. G'dvue	6000	.05½	.05	.05	.05
.15	.05½	N. Hamil	1000	.07	.05½	.05½	.05½
.36	.07½	N. Har'na	6425	.14	.14	.13	.13½
.48	.10	N. H'ridge	4499	.16	.13½	.13	.13
.35	.10	N. Hosco	500	.17	.20	.20	.20
.21	.05	N. Imperial	nil	...	....	A.07	.05
.15½	.02½	N. Indian	nil	...	B.04	A.06	.04
.49	.04	N. Jack Lk.	1500	.07	.07	.06½	.07
.25	.05	N. Jason	8500	.07	.07	.06	.07
.26	.05½	N. Kelore	3500	.07½	.08	.08	.08
.53	.13	Newlund	12400	.15	.17	.15	.16
1.34	.20	N. Man.	29800	.30	.31	.26	.28
.52	.07	N. Minda-S.	68000	.11	.12½	.09	.09
.36½	.08	N. M'l'que.	497500	.23½	.28	.23	.24
.12	.04½	Newnorth	6500	.06½	.07	.06	.06
2.00	.75	N. Pac. Coal	2000	1.27	1.20	1.10	1.20
.20	.04½	N. Rouyn	2000	.06	.07	.07	.07
.14	.03½	N. Santiago	2375	.04½	.04½	.04	.04
.12	.04	N. Senator	nil	...	B.05	A.06	.06
.26	.09½	N. Taku	7020	.16	.14	.12	.14
.12	.02	N. Vinray	5500	.04½	.03½	.03½	.03½
.25	.09	N.W. Amulet	nil	...	B.10	A.20	.10
5.00	.75	Nickel Rim	37250	.87	1.01	.90	.97
3.35	1.00	Nipissing	3000	1.22	1.30	1.22	1.30
.14½	.05	Nisto	2000	.06	.07	.06½	.06½
.11½	.04	Nocano	10000	.05	.04½	.04	.04
.45	.07	Nor. Acme	1500	.12	.12	.11	.12
57.50	33.00	Noranda 2.00	8305	38.75	40.87½	38.25	40.37½
.34	.05	Norgold	7780	.08½	.08	.07	.07½
.13½	.06	Norlartic	2500	.10	.09½	.09	.09
6.10	2.23	Normetal *.03	4250	2.42	2.64	2.40	2.60
1.59	.25	Norpax	22800	.26	.29	.25	.27
.65	.07½	Norsym'e	20640	.11	.11	.09	.10
.27	.08	N.A. Asb.	3100	.09½	.09½	.09	.09
1.80	1.00	N. Am. R.M.	12825	1.48	1.48	1.45	1.47
1.67	.38	N. Rankin	35000	.43	.43	.41	.42
2.10	1.00	North Can.	2200	1.12	1.13	1.12	1.13
9.00	2.84	Northspan	35380	3.30	3.45	3.20	3.40
6.80	1.75	Do. warr.	16115	2.23	2.25	2.03	2.11
.22	.03	N.W. Vent.	nil	...	B.06	A.08	.05
.30	.10½	Norvalie	12000	.10½	.14	.11	.11
.05	.01½	Nuclear	nil	...	B.01½	A.02	.01½
.44	.12	Nudulama	2100	.19	.19	.19	.19
		O					
.33	.04½	Obalski	72250	.07	.14	.08	.12
.11	.04	Obaska	7000	.05	.04½	.04	.04
.92	.45	O'Brien	3500	.51	.51	.51	.51
.23	.05	Ogama	1500	.06	.06	.06	.06
.80	.11	Oka	4000	.13	.15	.13½	.13½
.47	.10½	O'Leary	6500	.14	.14½	.13	.14
.54	.10	Opemisca	5600	.15	.15	.14	.15
14.75	5.75	Opemiska	35987	6.00	6.80	6.20	6.80
.80	.10	Orchan	2000	.15	.14	.13	.14
.42½	.10	Orenada	2500	.12	.13½	.12	.12
.69	.16	Ormsby	2050	.22	.24	.24	.24
.54	.20	Osisko	7000	.30	.32	.29	.29
		P, Q					
.40	.12	PCE Explor.	4666	.16	.16½	.13	.13
1.42	.47	Pac. Nickel	6450	.65	.66	.64	.66
.57	.32	Pamour P.	10625	.53	.53	.50	.50
.13	.04½	Paramaque	3500	.06	.06½	.06	.06
.11½	.03	Parbec	11500	.07	.06	.05	.05½
1.28	.32	Pardee	3100	.42	.48	.40	.48
.34	.14	Partridge	13500	.21	.26	.22	.26
.91	.21½	Pater	10800	.40	.49	.32	.48
8.00	4.35	Patino ♦§.20	nil	...	B3.75	A4.75	4.35
5.25	2.30	Pato Con. §.60	685	3.25	3.25	3.20	3.20
.48	.18	Paudash	2500	.38	.38	.36	.36
.26½	.13½	Paymaster	4700	.17	.17	.16½	.17
.65	.20	Peerless	2100	.21	.22	.21	.21
3.40	1.60	Pend Oreille	1100	1.81	1.89	1.84	1.84
.45	.15	Pennbec	nil	...	B.16	A.19	.15
.68	.25	Pefron	7700	.26½	.27	.26	.26
1.60	.95	Pickle Cr. .10	2325	1.15	1.20	1.07	1.07
1.75	.95	Pioneer G. *.12½	5400	1.44	1.42	1.35	1.35
.15	.05	Pitch Ore	7900	.05	.05½	.05	.05
.15	.02	Pitt G.	7000	.05	.05	.04	.04
13.25	7.75	Placer §1.00	565	9.00	9.25	9.00	9.00
.17	.05	Porc. Prime	3500	.05	.06½	.05	.05
.75	.09	Portage	269600	.15	.29	.14	.28
1.00	.31	Powell R.	1000	.40	.40	.40	.40
.13	.04	Prem. Bord.	21300	.07½	.08	.06	.07
8.80	3.90	Preston .08	1900	5.75	5.90	5.25	5.25
8.35	3.50	Pronto	6100	4.25	4.30	4.20	4.20
3.95	.13	Do. warr.	11570	.22	.23	.13	.18
2.30	.70	Prospectors	2600	1.10	1.05	1.00	1.00
.18	.04½	Purdex	2500	.07	.06	.06	.06
.75	.16½	Quatsino	22500	.23	.28	.22	.28
.33	.08	Que. Ascot	7031	.10	.10	†.07	.10
2.34	.32	Que. Chib.	54450	.44	.48	.42	.47
1.25	.26	Que. Cop.	58300	.31	.32	.26	.31
.28	.05½	Que. Lab.	6700	.06½	.07	.06½	.07
10.50	4.75	Que. Lith.	2551	5.70	5.70	5.55	5.60
.80	.11	Que. Man.	2500	.13	.13½	.13	.13
.37	.10	Wiltsey C.	67600	.19½	.19	.16	.16
.11	.04½	Winchester	nil	...	B.05½	A.07	.05
.43	.10½	Windfall	8458	.14	.15½	.14	.14½
.05¼	.02	Wpg. R. Tin	nil	...	B.03	A.03½	.03
1.70	1.15	Wright-H. §.03	2083	1.40	1.45	1.28	1.31
		Y, Z					
.37	.07	Yale Ld.	2950	.10	.13½	.11	.11
.13	.05	Yellorex	2500	.07	.07½	.06½	.06½
1.93	.62	Y'ke Bear	34750	.73	.83	.71	.80
.10½	.03	Yukeno	4000	.04½	.05	.04½	.05
.89	.49	Yukon C. §.06	5150	.60	.65	.60	.65
.40	.14	Zenmac	79319	.25	.30	.24½	.30
.75	.13½	Zulapa	1000	.16	.14	.14	.14

Oil Stocks

Range 1957-58 High	Low	Company & Dividend ($)	♦Sales	Last Mar. 7	Week Ending Mar. 14 High	Low	Close or latest
.23	.13	Acme .01	1500	.14	.14	.14	.14
.93	.44	Ajax	7000	.52	.52	.50	.50
.10½	.02	Albedena	nil	...	B.03	A.05	.04¾
.66	.27	Alta. P. Con.	18237	.43	.43	.36	.40
.20	.03¼	Aldina	700	.06	.05	.05	.05
.68	.45	Allied Roxana	2250	.50	.50	.45	.50
.35	.13	Altex	nil	...	B.16	A.20	.16
.06	.02	Amalta	nil	...	B.02	A.05	.03
.70	.12	Amer. Leduc	30950	.21	.21	.18½	.19
6.25	2.40	Amurex	nil	...	B1.81	A2.75	2.40
4.75	1.12	Anaconda	600	1.35	1.40	1.35	1.40
.28	.10	Anchor	115700	.22	.25	.21	.25
16.87½	7.25	Anglo-Am.	800	9.25	9.15	8.50	8.75
.14	.03½	Apex	19500	.05	.05½	.05	.05½
2.25	1.75	Asamera	5800	1.94	1.91	1.80	1.80
		B					
20.75	6.50	Bailey-Sel. A	4400	8.00	8.25	7.80	7.80
41.00	21.00	Do. 5% pf. 1.25	55	22.00	22.75	21.87½	22.75
28.25	19.00	Do. 5¾% pf. 1.43¾	750	22.75	23.25	22.25	23.00
3.80	1.50	Banff	7700	1.86	2.03	1.83	1.94
.15	.04½	Barons	1000	.05	.05¼	.05¼	.05¼
.57	.25	Basco	44100	.47	.42	.36	.40
.15½	.10	Bashaw	nil	...	B.09¾	A.12	.10
.12½	.05	Bata	2500	.08	.07	.07	.07
.30	.09	Blue Crown	1100	.12	.15	.12	.12
.48	.10	Bonnyville	4418	.15½	.17	.10	.17
1.10	.70	Bralsaman	nil	...	B.73	A.78	.75
3.60	1.20	Britalta	7000	1.57	1.55	1.50	1.53
		C					
3.20	.30	Cabanga	nil	...	B.40	A.45	.41
1.55	.35	Calalta	2300	.56	.55	.53	.53
36.60	17.00	Calg. & Ed. .10	2945	20.25	20.50	20.12½	20.37½
5.50	4.00	Calvan	300	4.00	4.00	4.00	4.00
		Canada					
4.50	1.50	Can. Oil Lds.	1700	1.65	1.80	1.60	1.80
2.80	.70	Do. warr.	1100	.75	.80	.75	.75
		Canadian					
10.12½	3.75	Cdn. Atlantic	8902	4.25	4.25	4.00	4.10
.78	.29	Cdn. Br. E.	9840	.35	.32	.29	.32
3.00	.46	Cdn. Chieft'n	8600	.96	.94	.91	.91
1.70	.07	Cdn. Dec. warr.	115200	.17½	.23½	.10	.13
9.40	3.80	Cdn. Dev.	9231	5.75	5.90	5.70	5.85
9.50	3.20	Cdn. Ex. G.	300	3.95	4.70	4.10	4.50
.27	.02½	Cdn. F'tune	nil	...	B.04½	A.05	.04¼
1.35	.35	Cdn. High-C.	10500	.45	.45	.43	.43⅛
3.10	1.50	Cdn. H'stead	5828	2.10	2.19	2.00	2.19
3.90	1.58	Permo pf.	4925	1.71	1.79	1.75	1.77
2.25	.45	Peruvian	3000	.80	.80	.72	.75
1.50	.35	Petrol	53500	.58	.63	.52	.53
1.85	.56	Phillips	8458	.80	.75	.65	.74
.77	.20	Ponder	5500	.29	.32	.28	.28
5.90	2.25	Prairie	nil	...	B2.25	A2.50	2.40
4.25	1.70	Provo	19875	2.65	2.68	2.58	2.61
		Q, R					
.20	.04	Que. Oil D.	11655	.05	.05	.05	.05
.31	.08	Quonto	10000	.10	.10	.09	.09
.40	.18	Ranchmen's O.	2778	.18	.20	†.15	†.16
.25	.05	Reef Explor.	5500	.06½	.08	.06½	.08
.07½	.02	Renfrew	nil	...	B.02	A.04	.02⅛
2.50	.75	Richwell	5212	1.25	1.23	1.16	1.23
.11	.01¼	Ridgeway	17000	.01½	.01¼	.01¼	.01¼
1.00	.13	Rocky Pet.	39249	.14	.15½	.13	.13
1.00	.16	Royal Can. V.	500	.32	.30	.30	.30
23.25	12.00	Royalite .26	259	13.75	13.62½	13.00	13.25
38.00	22.25	Do. 5¼% pf. 1.31¼	325	23.12½	25.00	24.50	24.50
		S					
1.05	.08½	Sage	200	.65	.65	.65	.65
1.82	.45	Sapphire	1890	.60	.63	.60	.63
80.00	25.00	Do. 5% debs.	nil	...	B28.00	A31.00	28.00
.70	.02	Sastex	nil	...	B.04	A.05	.05
3.97	1.49	Scurry Rain.	23000	2.16	2.35	2.19	2.25
8.75	3.60	Security	3740	4.65	4.75	4.65	4.75
.25	.05	Select Oils	5700	.06½	.08	.06	.08
.16	.04	Share Oils	nil	...	B.04½	A.06	.04¾
.19	.06	Silver City	1000	.06½	.08	.08	.08
.30	.10	Souris Val.	7400	.11	.10½	.10	.10
1.10	.50	So. W. Pete.	500	.85	.92	.92	.92
.60	.12	So. Union	2500	.17	.15	.14½	.14½
.30	.11	Sparmac	2500	.15	.14½	.13½	.13½
.78	.16	Spooner	22900	.20	.22	.20	.20
1.75	.60	Stanwell	17300	.75	.76	.72	.75
.15½	.08	Sturgeon	nil	...	B.11	A.13	.10
		T, U, V					
.93	.33	Texas Cal.	3300	.35	.40	.36	.36
8.25	.30	Titan	3740	.35	.35	.30	.35
.07	.02	Transfield	300	.03½	.02	.02	.02
9.00	3.50	Triad	7770	4.60	4.70	4.50	4.55
.13½	.05¼	Tri-Zone	nil	...	B.06½	A.09½	.07
.40	.25	Turner V.	nil	...	B.24	A.27	†.22
4.40	1.73	United Oils	99122	2.07	2.07	2.00	2.02
.38	.16	Vanalta	nil	...	B.17	A.30	.20
.23	.05	Vandoo	600	.06	.06	.06	.06
2.79	.90	Van Tor	39607	1.22	1.20	1.10	1.17
.83	.35	Vulcan	8310	.43	.45	†.30	.43
		W, Y					
.81	.05	Wayne	1000	.11	.10½	.10½	.10½
.53	.10	Wespac	14315	.30	.30	.26	.29
1.05	.55	W'burne	20550	.70	.70	.65	.67
1.98	1.90	W. Cdn. O.&G.	3200	...	1.98	1.77	1.77
.16	.14	Do. rts.	3000	...	.16	.14	.14
3.00	1.35	W. Decalta	12950	1.85	1.90	1.70	1.80
1.35	.25½	Do. B warr.	14800	.33	.34	.25½	.27
6.50	4.25	W. L'holds	nil	...	B4.25	A4.50	4.25
2.70	1.12	W. Maygill	4900	1.70	1.75	1.68	1.72
3.90	.70	W. Naco	8500	1.12	1.11	1.06	1.07
.14	.05½	W. Warner	25	.07	.06	.06	.06
.16	.05	Y'ke Can.	1500	.06½	.06½	.06	.06
.13	.03	York Oils	92800	.11	.13	.09	.10

▲U. S. funds. ▲▲Initial. †Less than board lot. ♦When shown nil the figures are bid, asked and latest sale. §Paid in 1957. ‡Extra paid in 1957. •Dividend deferred. *Paid or declared in 1958.

Unlisted Stocks

(Compiled by Intercity Securities Corporation Limited, Toronto)

Mar. 17, 1958

	Bid	Asked
Alberta Gas A	15.00	15.75
Algoma C.&H.B. Rly. com.	24.00	25.00
Do. pfd.	1.25	....
Allens Toronto units	42.00	....
Anglo Can. Tel. "A"	26.00	27.00
Bowles Ltd. 1% pfd.	.70	....
Brinton Peterboro Carpet	37.00	40.00
British America Assce.	84.00	91.00
B. C. Sugar	31.00	32.50
B. C. Tel. 4½% pfd.	86.00	....
Do 5¾% pfd.	103.50	104.50
British Mortgage & Trust	225.00	....
Brit. Nfld. Corp. (Brinco)	4.10	4.65
Calgary Power 4½% pfd.	88.00	....
Can. Admiral Corp.	....	25.00
Can. Canners "B"	8.25	....
Can Corp Management	5.75	6.50
Can. Crushed Stone 6% pfd.	95.00	....
Can. Delhi Pete	6.50	7.00
Can & Foreign Securities	10.00	....
C. West. Nat. Gas 5½% pf	20.25	21.00
Cawthra Apts.	44.00	....
Chase, Dr. A. W. com.	1.60	....
Colonial Steamships com.	225.00	....
Commercial Finance	48.00	....
Commercial Life 20% pd.	32.00	....
Concourse Bldg. units	75.00	....
Do. v.t.	59.00	....
Crown Life Insurance	95.00	100.00
Debenture & Secs. 5% pfd.	76.00	....
Dom. Can Gen. Insce.	46.00	55.00
Dom. Linseed Oil units	3.50	....
Dover Industries	9.25	9.75
Eastern Trust Co.	22.00	24.00
Essex Packers com.	1.75	....
Do pfd.	25.00	33.00
Excelsior Life	....	125.00
Goderich Elevator	21.50	22.25
Granite Club	14.25	15.00
Greyhound Lines	10.00	10.25
Gt. Brit. & Can. Inv. com.	12.00	13.00
Do. pfd.	98.00	103.00
Great West Life	193.00	200.00
Guar. N. Amer. fully pd.	300.00	325.00
Do 20% pd.	85.00	90.00
Halifax Insurance	10.00	....
Halton & Peel Trust	9.25	10.00
Homewood Sanitarium	88.00	....
Hudson's Bay Co.	21.00	21.75
Humber Amusement Pier	.30	....
Humberstone Shoe	9.00	11.00
Industrial Life	56.50	....
Industrial Mtge. & Trust	73.00	78.00
Ingersoll Machine 4% pfd.	86.00	....
Ingersoll Machine & Tool B	5.00	6.00
Ingram & Bell com.	4.00	....
Jenkins Bros.	61.00	65.00
Lambton Golf	365.00	....
Lambton Loan Sarnia	73.00	77.00
Loblaw Warrants	7.00	7.50
London Can. Inv. $3.00 pfd.	42.50	45.00
Do A	36.00	40.00
London Life Insurance	115.00	....
Lord Simcoe Hotel A	1.10	1.35
Manufacturers Life	237.00	241.00
Maritime Life	118.00	....
Monarch Life 50% paid	275.00	290.00
Morrow Screw & Nut com.	38.00	....
National Life 35% paid	300.00	....
National Sewerpipe units	11.50	13.50
Niagara Lower Arch Bridge	48.00	53.00
Nor. Tel. pfd.	18.75	19.75
Oakville Wood 6% pfd.	75.00	....
Paramount Oshawa Theat's	12.50	....
Park Lawn Cemetery	2.25	....
Pembroke Electric Light	33.00	....
Phillips Electrical	9.00	10.00
Prairie Royalty Trusts	1.50	....
Prudential Trust	21.00	....
Rapid Grip & Batten 6% pf.	85.00	....
Reliance Pete. A & B	25.00	....
Do. pfd.	....	42.00
Robin Jones Whitman pfd.	23.00	....
Royal Oak Dairy B	4.00	....
Sincennes McNaught Line	3.00	....
S.K.D. Mfg. 6% pfd. w/com.	7.50	....
Skyway Drive-In Theatres	1.75	2.15
Sovereign Life 25% pd.	100.00	110.00
Standard Fuel common	3.00	5.00
Do. $2.25 div.	34.00	36.00
Sun Life Assurance	235.00	242.00
Supercrete Ltd.	4.50	5.25
Teleflex Ltd.	10.50	....
Thorncliffe Park	6.50	7.00
Toronto & London Invests.	2.20	2.70
Toronto Medical Arts Bldg.	59.00	....
Transportation Bldg.	9.00	....
Triarch Corp.	112.00	115.00
United Can. Shares	8.50	....
Waterloo Mfg.	6.75	....
Waterloo Trust	30.50	....
Westcoast Transmission	24.00	24.75
Western Assurance	62.00	66.00
Wood Alexander 6% pfd.	82.00	....

By Kippen & Company Inc., Montreal

	Bid	Asked
Algoma C.&H.B. Rly. com.	24.00	25.00
Cons. Theatres A	3.50	5.00
Do B	7.00	8.00
Cuban Can. Sugar	3.00	....
Dupuis Freres pfd	18.00	20.00
Guar. Co. of N. America	300.00	325.00
Hart Battery com.	3.00	....
Hudson's Bay Co. (new)	20.75	21.50
London Canadian A	39.00	42.00
Maritime Tel. & Tel.	16.50	17.50
Mtl. C. & Dist. Svgs. Bk.	47.00	48.00
New Brunswick Tel.	12.00	12.75
N.S. Light & Power	13.75	14.50
Ont. & Que. R. 5% Cap stk.	105.00	....
Prov. Bank of Can.	24.50	25.75
Prudential Trust Co.	21.00	....
Sun Life Assurance Co.	240.00	246.00

FIRST SHIPMENT

From Our Own Correspondent

FREDERICTON — A shipment of 17 registered Holstein heifers has left Saint John for Venezuela. It's the first shipment of N.B. Holsteins to be exported to that country for breeding and production purposes.

Dividends Declared

(Continued from page 44)

	This payment $	Date payable	Date of record
Lond. Hose. A	.20	Apr. 1	Mar. 14
L. St. Lawr. Pwr.	.50	Apr. 1	Mar. 15
M. Loew's Theat.	1.00	Mar. 31	Mar. 14
W. M. Lowney	.25	Apr. 15	Mar. 14
Maclaren P&P	.50	Mar. 28	Mar. 3
Macmillan & Bl. A	.12½	Mar. 31	Mar. 10
Do B	.20	Mar. 31	Mar. 10
Mall'n Cor. $1 pr. p	.25	Mar. 31	Mar. 18
Do $1 prior pf	.25	June 30	June 18
Do 5% pf	1.25	Apr. 30	Apr. 16
Man Sug. pf	3.00	Apr. 1	Mar. 15
Maple Leaf Gard.	.31	Apr. 15	Apr. 1
Maple Leaf M. pf	1.25	Apr. 1	Mar. 14
Mar. Tel. & Tel.	.20	Apr. 15	Mar. 20
Do 7% pf	.17½	Apr. 15	Mar. 20
Maxwell Ltd.	.06¼	Apr. 1	Mar. 14
Do $6.00 pf	1.50	Apr. 1	Mar. 14
McCabe Grain A	.15	May 1	Apr. 15
McColl-Front. pfd	1.00	Apr. 19	Mar. 31
McIntyre-Porc. M.	.50	Jun. 2	May 1
Mersey Pap. pf	.88¼	Apr. 1	Feb. 28
Minn. & Ont. Pap	.40	May 1	Apr. 4
U.S. Mitchell	.31¼	Apr. 1	Mar. 15
Mod. Contain. A	.25	Apr. 1	Mar. 20
Molson's Br. A	.35	Mar. 21	Feb. 28
Do B	.35	Mar. 21	Feb. 28
Mon. Kn. pf 1.12½+	■.37½	Apr. 1	Mar. 14
Mtl. C & D.Sav Bk.	.45	Apr. 1	Feb. 28
Mtl. C.&D. Trust	.05	Apr. 1	Feb. 28
Mtl. Locomotive	.25	Apr. 1	Mar. 10
Mtl Trust .30+	‡.20	Apr. 15	Mar. 31
Moore Corp.	†.45	Apr. 1	Mar. 7
Do 7% A&B pf	†1.75	Apr. 1	Mar. 7
Morrow Screw pf	1.00	Apr. 1	Mar. 20
Mt. Royal Dairies	.15	Apr. 1	Mar. 1
Nat. Grocers	.15	Apr. 1	Mar. 14
Do pfd	.37½	Apr. 1	Mar. 14
Nat. Hose A	.05	Apr. 1	Mar. 7
Do A	.05	Jul. 2	Jun. 6
Do A	.05	Oct. 1	Sep. 5
Do A	.05	Jan. 2	Dec. 5
Do B	.08	Apr. 1	Mar. 7
Nat. Lead com.	†.75	Mar. 27	Mar. 7
Nat. Steel Car	.40	Apr. 15	Mar. 15
Nat. Trust	.35	Apr. 1	Mar. 14
N.B. Tel.	.15	Apr. 15	Mar. 25
Niag. W. W.	.15	Apr. 1	Mar. 11
Do B	.15	Apr. 1	Mar. 11
Normetal M.	.03	Mar. 31	Mar. 3
N. Star Oil 5% pf.	.62½	Apr. 2	Mar. 3
Nor. Que. Pwr.	.40	Apr. 25	Mar. 31
Nor. Tel.	.02½	Apr. 15	Mar. 31
Do pfd	.27½	Apr. 1	Mar. 21
N.S. Lt & Pwr.	.15	Apr. 1	Mar. 5
Ocean Cement	.22½	Apr. 1	Mar. 14
Office Spec.	.20	Apr. 1	Mar. 17
Ogilvie Flour	.25	Apr. 1	Mar. 7
O. Joc Cl 6% pf	.15	Apr. 15	Mar. 31
Do 5¼% pf	.13⅛	Apr. 15	Mar. 31
Ont. Loan	.25	Apr. 1	Mar. 14
Ont. Steel	.25	May 15	Apr. 15
Do 7% pf	1.75	May 15	Apr. 15
Pac. Cst Ter. .50+	‡1.25	Apr. 15	Apr. 1
Page-Hersey	.90	Apr. 1	Mar. 17
Penmans Ltd.	.45	May 15	Apr. 18
Do 6% pf	1.50	May 1	Apr. 2
Power Corp.	.50	Mar. 31	Mar. 5
Do 4½% pf	.56	Apr. 15	Mar. 20
Do 6% pf	.75	Apr. 15	Mar. 20
Premier Tr.	2.00	Apr. 1	Mar. 14
Price Bros.	.75	May 1	Apr. 4
Prov. Transport	.25	Mar. 31	Mar. 14
Do pfd	.63	Apr. 1	Mar. 14
Que. Pwr.	.15	Mar. 31	Mar. 3
Que. Tel	.45	Apr. 1	Mar. 14
Do A	.38	Apr. 1	Mar. 14
Do 5% pf	.25	Apr. 1	Mar. 14
Quemont M.	.15	Mar. 31	Mar. 3
R.&M. Bear. A	.27	Apr. 1	Mar. 15
Rap. Gr. & Bat. pf	1.50	Apr. 1	Mar. 12
Do	1.50	Jul. 2	Jun. 12
Do	1.50	Oct. 1	Sep. 12
Reitmans (Can.)	.15	May 1	Apr. 15
Renold Ch A .27+	‡.10	Apr. 1	Mar. 14
Do .28+	‡.06	Jul. 1	Jun. 13
Do .27+	‡.05	Oct. 1	Sep. 12
Do	.28	Jan. 1	Dec. 12
P. L. Robertson	.20	Apr. 1	Mar. 20
Do pfd	.25	Apr. 1	Mar. 20
A. V. Roe	.20	Apr. 2	Mar. 14
Do pfd	1.43¾	Apr. 2	Mar. 14
Robinson Lit. com.	.20	Mar. 31	Mar. 15
Royalite pfd	.328125	Apr. 1	Mar. 14
Russell Ind.	.15	Mar. 31	Mar. 17
St. Law. Corp.	.25	Apr. 25	Mar. 28
Do 5% pf	1.25	Apr. 25	Mar. 28
Sal.-Shir.-Hor.	.15	Jun. 14	May 8
Do 5½% pf	.34⅜	May 31	May 9
Do 5¾% pf	.35 15/16	May 31	May 9
Sicks Brew.	.30	Mar. 31	Mar. 3
Shaw W&P 4% pf	.50	Apr. 2	Feb. 28
Do 4½% pf	.56¼	Apr. 2	Feb. 28
Sherwin-Wms.	.45	May 1	Apr. 10
Do 7% pf	1.75	Apr. 1	Mar. 10
Silverwood Dair. A	.15	Apr. 1	Feb. 28
Do B	.15	Apr. 1	Feb. 28
N. Slater	.25	May 1	Apr. 10
Do pfd	.53	Apr. 14	Mar. 28
Somerville Ltd.	.70	Apr. 1	Mar. 14
Southam Co.	.50	Mar. 28	Mar. 14
So. Can. Pwr.	.62½	May 15	Apr. 18
Do pfd	1.50	Apr. 15	Mar. 20
Stand. Pav.	.37½	Apr. 1	Mar. 14
Stand. Radio	.15	Apr. 10	Mar. 20
Stanley Brock A	.15	May 1	Apr. 10
Do B	.10	May 1	Apr. 10
Stedman Bros.	.30	Apr. 1	Mar. 15
Steel Co.	.40	May 1	Apr. 3
Sterling Tr.	.40	Apr. 1	Mar. 18
Sun Life	1.00	Apr. 1	Mar. 17
Supertest Pet. pf	1.25	Apr. 15	Mar. 25
Supervised Am. F.	.03	Mar. 20	Mar. 17
Supervised Inc. Fd.	.04	Mar. 20	Mar. 17
Superior Prop. pf.	.35	Apr. 1	Mar. 15
Switson Ind.	.07	Mar. 31	Mar. 18
G. Tamblyn	.15	Apr. 1	Mar. 7
Do 4% pf	.50	Apr. 1	Mar. 7
Third C. G Inv. Tr.	.15	Apr. 15	Mar. 31
Tip Top Can. A	.25	Apr. 1	Mar. 21
Tor.-Dom. Bk.	.35	May 1	Mar. 31
Tor. Gen. Ins.	.50	Mar. 31	Mar. 14
Tor. Gen. Trusts	.37½	Apr. 1	Mar. 7
Tor. Iron Wks.	.25	Apr. 1	Mar. 15
Do A	.25	Apr. 1	Mar. 15
Tor. & Lon. Inv.	.09	Mar. 28	Mar. 7
Tor. Mtge.	1.25	Apr. 1	Mar. 14
Tor. Sav's & Loan	.25	Apr. 3	Mar. 21
Traders Fin. A&B	.60	Apr. 1	Mar. 7
Do 5% pf	.50	Apr. 1	Mar. 7
Do 4½% pf	1.12½	Apr. 1	Mar. 7
Tr. Can. Cp. 4½%p	.22½	Apr. 1	Mar. 14
Do 5% pf	.25	Apr. 1	Mar. 14
Do 6% pf	.30	Apr. 1	Mar. 14
Union Accept.	.05	Apr. 1	Mar. 14
Do 2nd pf	.15	Apr. 1	Mar. 14
Union Gas	.40	May 1	Apr. 4
Un. Fuel Inv. A	.75	Apr. 1	Mar. 14
Un. Steel	.25	Mar. 28	Mar. 7
Un. Towns Elec.	.20	Mar. 31	Mar. 1
Viau Ltd.	.50	Apr. 1	Mar. 20
H. Walk.-Gd.-&W.	§.35	Apr. 15	Mar. 14
Waterloo Tr. & Sa.	.32½	Apr. 1	Mar. 21
W. Koot. Pwr. pf.	1.75	Apr. 1	Mar. 14
West. Ass.	.70	Apr. 1	Mar. 20
W. Grocers A	.50	Apr. 15	Mar. 14
Do 7% pf	.35	Apr. 15	Mar. 14
W. Plywood B	.15	Apr. 15	Mar. 22
Do A	.25	Apr. 1	Mar. 10
Geo Weston A	.12½	Apr. 1	Mar. 10
Do B	.12½	Apr. 1	Mar. 10
Willson Stat. pf.	1.25	Apr. 15	Mar. 30
J. Wood Ind. A	.40	Apr. 1	Mar. 21
Do B	.40	Apr. 1	Mar. 21
Do 4½% pf	1.12½	Apr. 1	Mar. 21

†—U S funds. ‡Extra.

*—The ex-divend date is usually at least two full business days prior to the record date.

■—Arrears at Dec. 31/57, $14.62½ (before giving effect to above pay)

§—First following 3-for-1 stk. split Jan./58

▬—Stk. split on 10-for-1 basis approved; divd. declared on old capital.

Bond Redemptions

Bond Issues	Rate	Year	Date	Cal pr.
▲Canada Iron Foundries Ltd., S.F. debs. Ser. B	5¾%	'69	Apr. 15	•Par

▲—$69,000.

•—Plus accrued interest.

NEW COURSE

University of Alberta extension department is offering a course in photogrammetry — the science of making accurate measurements from photographs — April 8-12. Instructor will be Prof. A. J. McNair, head of the surveying department, Cornell University.

Advances and Declines

Week Ended	Ups	Downs	No Change	Ups	Downs	No Change
Feb. 7	380	241	198	169	70	127
Feb. 14	259	360	163	99	158	126
Feb. 21	280	369	166	106	124	117
Feb. 28	248	383	157	94	163	99
Mar. 7	358	272	169	158	75	135
Mar. 14	314	340	167	132	110	135

"in continuous change"

Investment is a difficult art because of the circumstances surrounding it. The field of operations is moving—in continuous change; market action is directed not so much to the known past as to an unknown future. Security, income and capital gain can best be obtained by careful selection, diversification and constant supervision.

Perhaps we could be of help to you . . .

— Enquiries Invited —

KIPPEN & COMPANY INC.

Established 1922

Investments

MONTREAL

607 St. James Street West Telephone: UN 6-2463

J. BRADLEY STREET & COMPANY

LIMITED

MEMBERS:

The Toronto Stock Exchange

Canadian Stock Exchange

Calgary Stock Exchange

Winnipeg Grain Exchange

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TORONTO, ONTARIO

Steel in Perspective

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Placer Companies Reduce Production and Earnings

Production and earnings of subsidiaries and associated companies of **Placer Development** are generally lower in the latest periods than in previous year, a report to Placer shareholders shows.

Pato Consolidated Gold Dredging had estimated net profit of $1.2 million equal to 34c a share in year ended Dec. 31, 1957. This is a decline of about 58% from net profit of $2,950,800 equal to 84c per share the previous year.

Yardage dredged in the 4th quarter declined to 6.2 million yds. from 7 million yds. in the same 1956 period and gold recovery dropped to 32,869 fine oz. from 42,981 oz. Value slipped to $1.1 million from $1.5 million.

	12 Mos. 1957	12 Mos. 1956
Yds. dredged	24,768,000	27,553,000
Oz. gold	111,085	197,840
Total value	$ 3,887,975	$ 6,924,400
Value per yd.	15.70c	25.13c
Est. net profit	$ 1,200,000	$ 2,950,800
Net per share	34c	84c

Canadian Exploration had estimated net profit of $333,000 in the nine months ended Jan. 31, 1958, down from net profit of $1,647,300 in the same period of previous year.

Production of lead and zinc was higher at 24,468 tons of concentrates as against 23,104 tons in the same period a year ago. Average zinc grade was steady at 4% but average lead grade dropped from 1.63% to 1.44%.

Tungsten output was down. In latest period, 123,565 tons of ore were milled as against 152,270 tons.

	Jan. 31/58 $	Jan. 31/57 $
Est. oper. profit	2,330,400	3,367,200
Explor. expense	271,400	53,000
Deprec. & depletion	600,000	967,500
Taxes	576,000	699,400
Est. net profit	883,000	1,647,300

Coronet Oil Co. had oil production of 339,311 bbl. valued at about $1,042,206 in the nine months ended Jan. 31 this year.

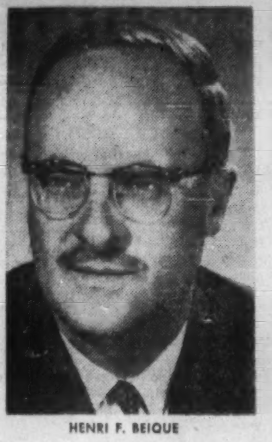
Production in the three months ended Jan. 31 was $331,154 from 111,486 bbl. compared with $310,762 and 99,789 bbl. in quarter ended Oct. 31, 1957.

These figures include the overriding royalty interest of Placer Development in production of Coronet from its Andector field leases.

Clutha Development has completed construction of a dry separation plant on the heavy mineral sand project in New South Wales. Production tests are under way.

Clutha has also purchased the Foybrook-Newdell coal ventures in Australia and plans are being made for further development of the coal mine and marketing of coal.

ANNOUNCEMENT



HENRI F. BEIQUE

J. N. SICARD

The appointment of Henri F. Beique as vice-president and general manager of Quebec Power Company, and his election to the Board of Directors, have been announced by J. A. Fuller, president. Mr. Beique, assistant general manager since 1954, succeeds J. N. Sicard, who is retiring after almost 40 years' service with Quebec Power and The Shawinigan Water and Power Company.

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Taking Stock

What's going on in the mining and oil markets — the facts and rumors.

By RAY MAGLADRY

A cutback in nickel production by **International Nickel** has reversed an upward price trend in senior issues.

Losses in one session all but erased gains of the past week when these stocks were moving higher on mildly brighter copper market news. Lower-priced nickels, in steady decline over the last several months, moved in narrow price ranges.

	Latest Price $	Week's High $	Week's Low $	Late 1957 $
East. Mining	.34	.40	.33	.59
Falconbridge	23¼	25.00	23.00	20.50
Int. Nickel	71¾	77.50	71¼	69.75
Nickel Rim	.87	1.01	.86	.84
Norpax	.25	.29	.24	.26
North Rankin	.40	.43	.40	.53
Sherritt	4.10	4.35	4.05	4.00

* * *

A firmer tone in copper markets on both sides of the Atlantic is bringing buying into copper and other base metal issues. But the strength was short-lived, as **International Nickel's** cutback announcement reversed the swing to higher prices, especially in nickel-copper producers.

Noranda Mines bucked the reversal to sell at $40⅞, a new 1958 high, up from $39. Noranda, a copper-gold organization not affected by the nickel news, settled at $40¼.

Normetal and **Quemont** were also higher, with Normetal at $2.57 compared with $2.25 recently and Quemont rising from $7.80 two weeks ago to $8.75, settling at $8.30.

Manitouwadge coppers, **Geco Mines** and **Willroy** also attracted attention. Geco moved from $9.05 to $10.25, settled at $9.85, and Willroy up from 70c to 82c, settled at 77c.

* * *

The business slowdown is cutting into sales of minerals with industrial applications. **American Nepheline** reports a 7% decline in sales of nepheline syenite last year which, with other factors such as exchange rates, bring company's earnings to 4c a share from a previous 8c per share. American Nepheline at 86c compares with a recent 87c, a 1957-58 high of $1.98.

United Asbestos is quietly steady at $5.80, up from a low of $4.90 this year. **Asbestco's** Black Lake, Que., property is scheduled to start production mid-1958 and United will share in roughly half the net profits after return of preproduction expenses to both parties.

* * *

Steep Rock drops back from a 1958 high of $11⅛ to $10 after a sharp rise from $8.50 in recent sessions. Buying is in face of heavy iron ore inventories and mine stockpiles, and uncertain demand for this season.

Alscope Explorations mildly higher as company reports it is starting negotiations with U.S. interests for its continuous titanium process. Alscope edges from a recent 20c to 26c.

* * *

ON THE OIL AND GAS FRONT — Interest lags and prices are generally lower. Alberta production figures point up the industry's problems, showing daily output at around 324,000 bbl. in a recent week compared with 441,700 bbl. a year ago.

Meanwhile, Saskatchewan continues to set new production records with the December average at 122,717 bbl. daily and the Steelman field breaking into the one million bbl. monthly class, the first Wheat Province field to do so.

Jupiter Oils stands out in climbing steadily from below $2 to new 1958 high at $2.49, settling back to $2.26. Company has brought in new well in Texas.

Company Report

Mining

INTERNATIONAL NICKEL CO. OF CANADA had net profit of $86,141,000 equal to $5.90 per share in 1957, down about 10% from net profit of $96,296,000 equal to $6.50 a share the previous year.

The 1958 outlook for nickel is for reduced sales but the long-term outlook is "excellent," Chairman John F. Thompson and President Henry S. Wingate say in the annual report.

As 1958 opened, nickel stocks available for industry were accumulating in the company's hands and in inventories of others, they report.

There was a sharp turnabout in nickel supply and demand in 1957, caused primarily by increased production, reduction of defense and stockpiling requirements in the U. S. and a slackening of general industrial activity in North America, the report points out.

Another factor is the sudden change, with civilian industry not having time as yet to adjust from an eight-year period of shortage to one of adequate supply.

Decline in 1957 earnings, however, is due mainly to the sharp drop in price of copper. Also, reduced sales of platinum metals, lower platinum prices and a strike at the Huntington, West Virginia, plant affected earnings.

These factors and continuing cost increases were partially offset by increased nickel and copper sales, and by higher nickel prices compared with 1956.

Deliveries of nickel in all forms amounted to 290,050,000 lbs. in the year, compared with 286,140,000 lbs. the previous year. Refined copper deliveries were 280,810,000 lbs., up from 271,300,000 lbs. in 1956; platinum metal deliveries were off about 9% while cobalt deliveries reached a new high at 2.4 million lbs.

Demand for mill and foundry products for both defense and civilian uses remained at a high level, but new bookings at year-end were down substantially because of a decrease in projected needs for jet engine alloys and other defense applications.

Published price of platinum, chief metal of the platinum group, declined in 1957 in the U. S. from $104 troy oz. early in the year to $77 at year-end, then dropped further to $73 early this year.

Inco has already launched a new sales plan, accompanied by new emphasis on promotion and on research. This program is geared to conditions of abundant nickel supply.

A program has been launched to restore the use of nickel in applications where other materials were substituted during the nickel shortage, and to increase nickel content of alloys which had been downgraded.

Expenditures for development and research have been increased, with emphasis on the research projects which promise more use for nickel —including new nickel steels and high nickel alloys.

The Manitoba project is on schedule, with the Thompson mine now slated to provide all the expected 75 million lb. annual output initially. The 1,057-ft. development shaft is completed and a production shaft is under way to 2,100 ft., with completion target for the fall this year.

Tonnage of ore from Sudbury mines last year exceeded 16 million tons for the first time. Underground tonnage was increased while open pit output declined slightly.

Continuing a recent trend, major portion of underground ore was produced by block-caving and blasthole mining methods.

Company's long-range development program was continued at the five operating mines, while the Crean Hill mine was being prepared for production.

Exploration expenses rose in the year to $8.9 million from the 1956 level of $8.2 million, with about half going toward the Manitoba project in both years.

Capital expenditures in 1957 were $43.9 million including $12.4 million for Manitoba development. This compares with total expenditures in 1956 of $23 million.

CONS. INCOME ACCOUNT

Years End. Dec. 31:	1957 $	1956 $
Net sales	442,886,000	444,740,000
Less: Costs & exp.	276,317,000	264,312,000
Net oper. prof.	166,569,000	180,428,000
Add: Other inc.‡	6,163,000	5,512,000
Net earnings	172,732,000	185,940,000
Less: Taxes†	56,813,000	61,043,000
Depr. & depl.	20,306,000	19,865,000
Retire. res.	8,472,000	7,736,000
Self-insurance	1,000,000	1,000,000
Net profit	86,141,000	96,296,000
Less: Pf. divds.	......	1,450,000
Com. divds.	54,690,000	54,690,000
Surplus for year	31,451,000	40,156,000

‡Includes $502,000 in 1957, $307,000 in 1956, profit on disposal of assets.

†Includes $1,900,000 in 1956, $5,200,000 in 1957, future taxes payable due to depreciation claimed for tax purposes being in excess of that recorded in the accounts.

Earnings per Share and Dividend Record:

	1957	1956
Pref.: Earned	....	348%
Paid	....	7%
Com.: Earned	$5.90	$6.50
Paid	2.60 + 1.15	2.60 + 1.15
Shares o/s as at Dec. 31:		
7% cum. pref., $5, $100 par	▲	$27,627,825
Common, n.p.v.	14,584,025	14,584,025

▲Redeemed Feb. 1, 1957.

CONDENSED CONS. BALANCE SHEET■

As at Dec. 31:	1957 $	1956 $
Cash & short-term secs. / Govt. secs.*	158,250,000	166,145,000
Accts. rec., less res.	48,253,000	45,768,000
Inventories	132,907,000	115,269,000
Total curr. assets	339,410,000	327,182,000
Dep. pf. stk. red.	......	34,742,000
Prep. ins., etc.	510,000	625,000
Inc. tax res. secs.	‡	13,100,000
Ret. res. secs.†	6,534,000	6,426,000
Misc. invests.	1,707,000	378,000
Properties▲	212,849,000	189,234,000
Total assets	561,010,000	571,687,000
Accts. pay.	33,148,000	29,242,000
Taxes pay.	36,880,000	52,437,000
Pref. divds. pay.	......	......
Total curr. liab.	70,028,000	81,679,000
Retire. res.	6,534,000	6,426,000
Inc. tax res.	18,300,000	13,100,000
Other res.	25,968,000	27,011,000
Pfd. stk. red. pr. & tax	......	7,114,000
Pref. stock	......	27,628,000
Com. stock	60,767,000	60,767,000
Capital surplus	61,036,000	61,036,000
Earned surplus	318,377,000	286,926,000
▲After depr. & depl. of	267,203,000	248,463,000
*Mkt. value	119,709,000	119,045,000
†Mkt. value	6,610,000	19,038,000

‡Reclassified as curr. assets as of Jan. 1, 1957.

■U. S. currency.

Working capital	269,382,000	245,503,000

VILLAGE OF L'EPIPHANIE, Que., school commissioners have sold $348,500 4½% 1959-63 and $196,000 5% 1964-78 serial debentures to syndicates headed by **Rene T. Leclerc Inc.** and **Banque Provinciale du Canada** at 98.37 indicating net cost of 5.146%. Provincial grant of $357,074 for the loan. Callable after March 1, 1968. Proceeds for reconstruction of a school.

Aim at 20% Output Boost As Saskatchewan Oil Rolls

By W. L. DACK

REGINA (Staff) — Despite substantial oil production cutbacks in Alberta and every major U. S. field, a buoyant Saskatchewan industry is still operating at high gear and aiming at a further 20% output boost in 1958.

Daily production in the province is at a new peak — approximately 120,000 b/d as against last year's 101,000 b/d rate. Oil marketing authorities think there is an excellent chance the industry will establish a 125,000 b/d average for the year.

In drawing up its 1958-59 budget, the government has estimated revenue from oil — royalties, leases, land sales — of $20.9 million ($15.8 million last year). This will make oil the second biggest revenue producer for the provincial treasury this year, next to the revenue from the federal-provincial tax rental agreement.

Saskatchewan oil producers are enjoying a preferred position in the current oil marketing slow-down. Here are the reasons:

The main oilfields in the southeastern corner of the province are some 600 miles closer to the big Ontario refining markets than major Alberta fields. This means a saving of some 10c-12c a bbl. in pipeline transporation charges.

The heavy-medium type crudes of the southwest fields are being aggressively marketed by a strong U. S. oil team. Bulk of the crude is going to a St. Paul, Minn., refinery which has been especially designed to handle this product.

Canadian Husky and Royalite Oil refineries are handling heavy gravity crudes from Lloydminster and Coleville areas and successfully adjusting to somewhat changed marketing conditions for their products.

Because of the continuing bright marketing outlook, the government has not had to impose any marketing proration restrictions as yet on producers, as has been the case for some time in Alberta.

What looks like the biggest field of all — the Weyburn field in the southeast — is facing some marketing problems at the moment. The rather heavy sulphur content of the crude has limited pipeline acceptance but this is not looked on as a serious development snag to this big field.

Because the major Mississipian fields in the southeast corner have been largely drilled out in 1957, the drilling accent this year is shifting more to wildcat drilling further west, in the south-central zone. Many of these holes are expected to be deep hole tests of the Ordivician-Silurian zones.

Although total number of holes to be put down will likely be substantially less than last year, it is expected that total footage drilled and over-all expenditure in the industry will be on a par with the 1957 record which amounted to $171 million (including pipelines and refinery expenditures).

SCHOLARSHIPS

Two new scholarship programs have been announced. **Hiram Walker-Gooderham & Worts** will offer five one-year scholarships, each renewable for three years, to children of employees of the company and subsidiaries; value of each is $1,200 a year. Ole Evinrude Foundation (Canada) Inc. will give scholarships to the two students attaining the highest standings in senior matric math and science in Peterborough; value of these is $4,000 and $3,000 respectively.

Fargo Oils To Acquire New Interests

Fargo Oils is acquiring extensive interests in Alberta land and some interests in production and royalties through purchase of privately owned **Cumberland Investments,** A. H. Meadows, Fargo president, reports.

Fargo has entered into an agreement for purchase of all outstanding shares of Cumberland which has 264,310 gross acres in Alberta (256,246 net), royalty interests in 12 producing oil wells and working interests in eight wells. Cumberland income in 1957 was about $18,000, says Mr. Meadows.

Bulk of the acreage is in four areas. A development program is under way on Cumberland land in the Viking-Kinsella gas field where the company's indicated gas reserves total 13 billion cu. ft.

Fargo recently purchased **General Minerals Corp.** in order to generate cash to carry out exploration plans.

What Dictates Your Trading Decisions . . . PRICES or EMOTIONS?

Tripping stock traders over their own emotions is one of the most ancient of manipulatory arts. Clever Asiatics did it when they sold stocks to the idle Romans. European money-jugglers were doing it two centuries ago to the idle rich of London, Amsterdam and Paris. And now we see it happening to the semi-idle middle classes of America — the greatest school of fish in financial history.

A stock goes up only until its followers are predominantly bullish. Then it goes down. It goes down until its followers are predominantly bearish. Then it goes up. It thus becomes axiomatic that if you fall prey to the influences which shape public emotions you will simply keep feeding the pot for as long as you can get your hands on fresh trading funds. But, then, if you are a faithful member of the consuming public this is a part of your lot in life — collecting worn out stock certificates the way you accumulate mortgages, insurance policies, automobiles which are suddenly out-dated and television sets which are always out-performed by next year's models.

If you are suitably sick of all this, stock trading is an activity to which you should definitely turn your hand. Because next year's models — and next **month's** models — are always readily available at factory prices if you know how to select them before they go on display to the general public. The stock market also permits you to sell the show-window items at the top — a technique known as selling short — and buy them back profitably after they've fallen into disregard.

But, then, maybe you won't enjoy working that way. Maybe you'd rather go to the carnival to pay a quarter a pitch instead of working on the inside picking up the toppled pins. We've run into a lot of people like that lately — people who were so bearish late last year that they were afraid to follow our predictions of a rise, and who were so bullish toward the end of January that they couldn't bring themselves to sell short with us in anticipation of February's 25-point slide. These same people froze when we said the market would go up again late last month. And they probably thought us insane when we issued a violently bearish basic-trend report late last week — advising the start of a fresh round of short selling on the very day when public emotions hit their apogee of unrestrained bullishness.

We don't make it easy for such people to become regular Cronenberg clients. But if you think you have an affinity for hard-headed trading, we'll be pleased to show you the ropes for the next eight weeks for a $5 trial fee covering a dozen reports.

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Brinco Looks Underground At Kitts Uranium Discovery

MONTREAL (Staff)—**British Newfoundland Exploration** — a wholly owned subsidiary of **Brinco** has taken its first look at ore underground at its Kitts uranium prospect near Makkovik on the coast of Labrador.

Company says an adit driven to intersect the centre of an ore zone, cut ore from 400 to 479 ft. averaging 0.62% in car samples and 0.92% for a length of 65 ft. in chip panel samples on both walls. A 1,100 ft.-long zone was indicated by surface drilling earlier.

The ore section cut by the adit was not indicated by the surface drilling. Its length and width remain to be determined. Grade compares well with that of surface drilling in the main zone where 14 drill holes averaged 0.74% over true width of six ft. and length of 1,100 ft.

Drifts are being driven north and south from the ore intersected by the adit. No samples are yet available. The south drift has been in the zone for 100 ft. and has 300 ft. to go to reach the south end of the zone.

Preparations are being made to drive a raise to surface from the north drift.

TOWN OF BOUCHERVILLE, Que., has sold $95,000 4½% 1959-68 and $157,500 5% 1969-78 serial debentures to **Dominion Securities Corp.** at 97.90 indicating net cost of 5.140%. Callable after April 1, 1968. Proceeds for waterworks, sewers, sidewalks and preparation of a town plan. Net funded debt Dec. 31, 1957, $483,600. Population 4,985.

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MINING INVESTMENTS

Expansion, Production Cut Opposing Trends in Nickel

Developing patterns in nickel are giving a jigsaw puzzle outlook to this key metal.

The clashing trends:

- Expansion of mine, milling and smelting capacity, likely to be 32% higher by 1961 in the free world.
- Production cutback now of 10% by **International Nickel's** Sudbury mines.

These two opposing patterns result from the current oversupply of the metal as against the industry's apparent optimism over the long-range prospects for nickel consumption.

One industry source told **FP**: "The cutback in production could be temporary but a great deal hinges on the pace of general industrial activity, particularly in the U.S."

Backing up this view is the forecast of Inco Chairman John F. Thompson and President Henry S. Wingate in the company's annual report:

"The long-term outlook for nickel is excellent. During the years of shortage for civilian purpose, nickel has demonstrated that its many properties fit into the pattern of modern technology.

"This strengthens our conviction that nickel will have even greater economic value than in the past and that there will be a long future upward trend in nickel consumption."

Inco's view of the outlook is backed by its continuing development of a new supply source at Thompson, Man., which will come into production as scheduled, they say.

The 10% cutback at Sudbury amounts to about 1,250 tons monthly.

The step was taken because present production "is substantially in excess of total market demand as well as consumption," according to a company spokesman.

Unsold nickel stocks are estimated at nearly 50,000 tons now. In the whole of 1957, supply exceeded demand by about 25,000 tons.

Nickel stocks are accumulating in hands of producers, consumers and the U. S. government.

The U. S. government has been offering nickel, originally slated for stockpile, to civilian industry but demand is slow. Inco's planned 1958 deliveries to the stockpile are being rescheduled for next year.

Premium prices for nickel — they soared to over $2 lb. a year ago — have disappeared on all world markets. The metal is now priced around the Inco 74c lb. price.

However, there is not the over-supply in Europe that has hit U. S. markets, since consumption there has held up better.

In other metal markets, tone of copper markets has been brighter, although the statistical position of copper still shows rising trend in stocks held by producers.

Prices in the U. S. at midweek were unchanged, but custom smelters report better business at their 23c lb. level. Primary producers price their product at 25c lb.

Scrap prices advanced in the week, first encouraging sign in this sensitive field for some time.

World copper statistics for February show:

- A decline in crude and refined copper output, together with a sharp drop in deliveries.
- Net increase of 21,500 tons of refined copper in the hands of producers.
- Stronger statistical position overseas, with a small decline in producers' stocks, offset by a poorer U. S. position.

Smelters Profit Slides 39% in '57

Consolidated Mining & Smelting Co. of Canada had net profit of $18,537,915 equal to $1.13 a share in 1957, down about 39% from net profit of $30,306,110 equal to $1.85 a share the previous year.

The 1957 earnings are after a special contribution to the company's pension fund society. Annual report of the company is expected in early April.

• • •

Hudson Bay Net Sharply Lower

Hudson Bay Mining & Smelting had net profit of $8,039,303 equal to $2.91 a share in 1957, down 61.8% from net profit of $21,007,852 equal to $7.62 per share in 1956.

Gross income from metal sales last year was $41,417,371, down 32% from sales of $61,030,963 the previous year.

The sharp drop in earnings was primarily because of lower metal prices, a company statement says.

Average copper and zinc prices received by the company in 1957 were 24.8c lb. and 11.6c lb. respectively, compared with 1956 levels of 39c and 14.4c.

Metal production in 1957 included 97,486 oz. gold, 1,528,295 oz. silver, 88,687,785 lb. copper and 117,599,000 lb. zinc.

Current assets at year end were $40.2 million, including $9.5 million cash and $14.4 million in Canadian government short-term securities. A year ago, current assets were $49.7 million including $10.4 million cash and $20.8 million government securities.

Current liabilities at Dec. 31, 1957, were $3.1 million compared with $5.8 million on the same 1956 date.

• •

Yukon Cons. Profits Ease

Yukon Consolidated Gold Corp. had an estimated net profit of about $264,500 in 1957, compared with $301,013 the previous year.

Profit before taxes and cost-aid is estimated at $281,500, including depreciation and amortization amounting to $90,000.

Cost-aid for 1957 is estimated at $85,000 and income taxes are expected to be about $102,000.

In 1957 season, company dredged 6.2 million cu. yd. from which gold production of $1,822,580 was realized. Seven dredges were operated.

• • •

Galkeno Mines Loses $473,153

Galkeno Mines had a net loss of $473,153 in year ended Sept. 30, 1957.

Company's lead - zinc - silver property in the Yukon was closed down last September after operating continuously from mid-1956 and intermittently before that date.

An underground water problem, plus metal prices and premium on Canadian funds, led to the closedown, President Bryan W. Newkirk says.

Galkeno is now switching its activities into oil and gas, and has applied for nine permits covering exploration rights to cover 420,000 acres in the Northwest Territories, Mr. Newkirk says.

Work is planned on the permit area this summer, including a reconnaissance geological survey, he says.

Finances are being provided by sale of a five-year 6% convertible debenture issue of $400,000, of which $200,000 has been advanced to date. Another $100,000 is due Sept. 30 this year and the remainder on Dec. 31 this year.

Charge Beaudry In Aconic Case

A total of 26 charges including fraud and conspiracy have been laid against a former president of **Aconic Mining Corp.**

Jointly charged with Clifford Butler who was arrested last December and released on bail, Joseph Beaudry of Montreal appeared in Toronto court this week and was released on $50,000 bail.

The charges cover trading and methods to affect the market price of Aconic shares as well as conspiracy to defraud the public in relation to trading voting trust shares.

Shoreland Mines New Interests Iron, Oil Bets

Shoreland Mines has acquired mining claims in the Mount Wright iron area and acreage in the Peel Plateau oil area, E. E. Ott, secretary-treasurer, reports.

The new iron interest consists of 50 claims tying on to the northwest corner of **Cartier Mining Co.,** subsidiary of **U. S. Steel.**

Through a wholly-owned subsidiary, **Shoreland Petroleum Inc.,** the company holds a permit covering 48,890 acres in the Peel Plateau area of the Yukon. The acreage is subject to 5% gross royalty.

TRANE SALES UP

Sales of **Trane Co. of Canada Ltd.,** Toronto, increased 9% during 1957, E. C. Phillips, vice-president, states.

Sales of the U. S. parent company rose 8.3% to $80.6 million, with net profit increasing 8.8% to $6.2 million.

During last year additions were made to the company's manufacturing facilities in Toronto.

Worth Noting

Financing agreements and changes in financing deals, major changes in capital, filing statements are listed as reported by the Toronto and Montreal exchanges, Ontario Securities Commission.

MONPRE MINING, 170,000 shares taken up at 23c under option agreement. Next option due June 9 on 200,000 shares at 30c.

NEW SPRING COULEE OIL AND MINERALS, 50,000 shares taken up at 20c, part of option due April 27.

GALKENO MINES, payment received for $100,000 principal 6% convertible debentures. A total of $300,000 of debentures now taken down.

HOME OIL grants option of 75,000 B shares at $20 for 10 years and 10,000 B shares at $15⅜ exercisable over 10 years to officers.

CODY-RECO MINES drops option on claims acquired by assignment from **Trans-Canada Explorations.**

CANADIAN PROSPECT extends to April 10 its offer to exchange 2½ of its shares for each **Canadian Export Gas** share.

NEW MYLAMAQUE, filing statement reporting purchase of 10 claims, option on patented lots and 20 islands.

NEW FORTUNE MINES, filing statement reporting sale of iron claims to **Halle Mines Inc.,** for one million shares of new company to be formed; distribution of 272,222 of these shares on basis of one for each 18 held in New Fortune.

MARPIC EXPLORATIONS, an agreement between Marpic and Gordon Holdings has been cancelled by default.

CANADIAN WESTERN OIL CO. INC., is listed on the TSE with ticker abbreviation CWO. Shareholders of Canadian British Empire Oil received one share of Canadian Western for each three held.

GOLDEN AGE MINES, balance of option due Feb. 22 has not been exercised and agreement terminated.

PANTAN MINES, options on 200,000 shares at 15c and at 17c and part of an option at 12½c extended three months.

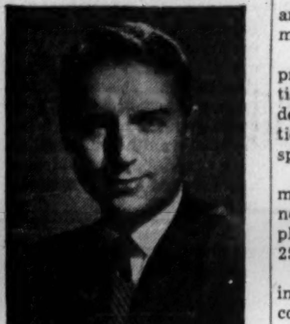
CAIRNGORM MINES, options to terminate Aug. 15, 1958, following three-month extension on three blocks of 70,000 at 20c, 25c and 30c and 60,000 at 15c.

CANADA RADIUM, amending statement shows payment on property options of $1,000 and 300,000 shares and three-month extension on option payment dates.

LAVANDIN MINING, amending statement extending options by three months.

ANNOUNCEMENT

Morgan, Ostiguy, Hudon Announce Appointment



H. B. M. CONNELL

Colonel W. E. Morgan, O.B.E., M.C., President, is pleased to announce that Mr. H. B. M. Connell, M.B.A., is now associated with Morgan, Ostiguy & Hudon Ltd. Mr. Connell is widely experienced in the various phases of the investment business.

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The CANADIAN FORECASTER

ARE YOU ENGAGING IN THIS TYPE OF MARKET ACTIVITY?

AREA—purchased near 52c, sold near $1.50-80.
ARGUS—in near $13.25. A $4.25 profit in less than 90 days.
AUNOR—bought near $1.80 before the rise to $2.50.
BELCHER—took profits near $1.82, before the drop to near 90c.
B. C. POWER—a $20 per share profit as the stock rose to near $54.
CAMPBELL RED LAKE—a $5 position before the run to $7.90.
CDN OIL CO.—in near $26-$27 before the climb to near $39.
CAN MET—sold near $3.80.
CASSIAR—per share gains of near $1.80 in three weeks time.
CONSOLIDATED DENISON—sold near $19.
CONSUMERS GAS—in near $28, out near $38-$40, in again near $27.
GLACIER—sold on run over $2 for near 60% gain.
HOME "A"—out near $20.
JUPITER—sold near $3.80.
MADSEN RED LAKE—in near $1.35 before rise to near $2.40.
PAUDASH—a 50% profit on run to near 45c, in less than 60 days.
PIONEER—30% profits on $1.15 position.
STANROCK—40c per share gains in less than four weeks.

This is just a sampling of what our traders have done, and are continuing to do in the Canadian market. Moving in at the lows, usually selling at the highs but being satisfied with modest profits if conditions surrounding an issue suggest the gambling should be left to someone else. And after converting paper advances into cash they are not reluctant to re-accumulate on the reactions if the situation becomes highly over-sold, preparing for the next run which often times develops in a matter of weeks and even days, taking in some cases 3 and 4 rounds of profits in a single situation within a relatively short period of time.

A person has the right to expect proper guidance before engaging in this type of activity. And our readers receive it. Every seven days the advisory section of our bulletin suggests unhedgingly which stocks to buy, how much to pay, when to sell, explains why these moves should be made. It shows readers how late developments, and speculative and investment trends, can affect the market and individual stocks, from their profit and loss standpoint.

In addition, readers who can not stay close to the Canadian mining, oil, and industrial picture, receive four additional pages of up-to-date and significant information every week. It keeps them abreast of important corporate and development decisions, and other vital factors that may affect their interest in the Canadian stock market.

And all of our readers (including trial subscribers) receive at no additional cost the individual help they need with any Canadian stocks. A letter to us brings back unbiased reports, plus our frank opinion on future prospects.

For a $5 trial subscription ($5.50 airmail), we believe we can show you over a 60-day period how our complete service can help you (includes advisory section—4 pages, and information section—4 pages, plus individual help with your problem stocks). Our annual fee is $33 (advisory service only), or $40 for entire 8 page weekly bulletin Address: 231 Examiner Bldg., Calgary, Alberta, Canada.

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Discovery . . . to distribution

A report by Canadian Oil Companies, Limited on 1957, the most significant year in company history

In 1957 alone, Canadian Oil almost doubled its crude oil reserves with the discovery of a rich, oil-bearing reef at Innisfail, Alberta. In many ways, this discovery was typical of the progress made by the Company in all phases of its operations during the year. Total sales increased 9%. Net profit rose 6% and total assets of the Company were increased by almost 9½ million dollars. This dramatic progress is echoed by the confidence of Canadians in investing in the Company's future. Today, 93% of Canadian Oil capital stock is owned in Canada by Canadians.

HIGHLIGHTS OF 1957

Producing:

CRUDE OIL PRODUCED (BARRELS)	1,163,000	

Refining:

CRUDE OIL PROCESSED (BARRELS)	9,494,000	Up 5%

Marketing:

SALES: HIGHEST IN COMPANY HISTORY: ALL PRODUCTS (GALLONS)	392,287,000	Up 9%

Profit:

NET PROFIT	$4,010,000	Up 6%
NET PROFIT PER COMMON SHARE 1957—2,029,316 SHARES	$1.75	

Balance Sheet Summary:

WORKING CAPITAL	$ 17,114,000
PROPERTY, PLANT AND EQUIPMENT, NET BOOK VALUE	$ 66,200,000
TOTAL ASSETS	$109,600,000
CAPITAL AND EXPLORATORY EXPENDITURES FOR 1957	$ 15,200,000

Exploration

CRUDE OIL RESERVES (BARRELS)	33,000,000
EXPLORATORY LEASES AND RIGHTS (NET ACRES)	845,000
PRODUCING WELLS — GROSS	209

PARTICIPATION IN DRILLING WELLS

	OIL	GAS	DRY	TOTAL
EXPLORATORY WELLS	11	2	35	48
DEVELOPMENT WELLS	26	2	10	38
	37	4	45	86

Ownership of Company

NUMBER OF SHAREHOLDERS	13,774
PERCENTAGE SHARES OWNED IN CANADA BY CANADIANS	93%

WHITE ROSE

CANADIAN OIL COMPANIES, LIMITED—1908-1958

FRASER DEACON
C. L. U.
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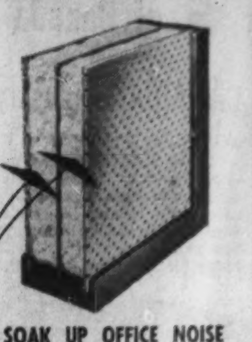
Business Insurance • Estate Taxation
330 UNIVERSITY AVENUE
TORONTO 1 — EM. 8-7432

SOUNDEX PARTITIONS



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Willowdale, Ont.

Letter from London

by Adelphi

It Was Sheer Murder Between Five and Six

Once a year the British Association of Cinematograph, Television and Allied Technicians holds a meeting to discuss its problems.

But this year's meeting which has just taken place, produced a remarkable speech by Vivian Milroy who is associated with commercial television.

"In one week," he said, "18 people were done to death, 28 were attacked and wounded with a blunt instrument, and 11 kicked in the stomach all between the hours of 5 p.m. and 6 p.m.

"The only reassuring feature about it was that 90% of the victims were Americans."

To which he added that U.S. teenage violence is like a nightmare from a futuristic novel. Needless to say he was speaking of our TV programs.

Allowing for the flamboyance of the speech there is no question about the increase of violent crime in Britain.

Perhaps the cult of the Angry Young Men in the theatre has spread to the teenagers.

Perhaps it is no more than an expression of unfed vanity by a lot of louts. At any rate Milroy's speech can do nothing but good.

* * *

The Second Angry Man

To change the setting let me assure you that there is an angry middle-aged man at Westminster — Captain Edward Heath, the government Chief Whip.

Not even the famous highwayman of that name could have been more violent when the government was defeated recently.

Admittedly, the issue was not an important one, which partially explained the absentees, but nevertheless it was a defeat in the lobbies and the Socialists were exultant.

Let me repeat that it was not a major issue but it is part of the present political pattern.

Unfortunately the next day brought more bad news for Macmillan.

The by-election at Kelvingrove, Glasgow, caused by the death of Walter Elliot, resulted in the defeat of his widow who ran as the government candidate.

The Tory vote dropped 6,000 from the general election figure, but the Socialist vote was also down 4,000.

To that extent neither of the two great political parties has cause to rejoice even though it means one more Socialist and one less Conservative at Westminster.

* * *

But will this victory bring Aneurin Bevan and Hugh Gaitskell closer together?

Will it tend to keep their feud merely smouldering instead of bursting into flames as it seemed about to do?

There are many indications that at any moment Bevan might change front and assume the leadership of the anti-H-bomb crusade.

It is true that up to this time he has accepted the H-bomb as a monstrous necessity in order to counterbalance the Russian threat.

To that degree he was in unison with his leader Gaitskell. But with the rising volume of anti-H-bomb feeling Bevan not only saw the light but decided that he must take possession of the torch.

The Socialists are absolutely certain that they will win the next general election and Nye Bevan is more than willing to put up with such discomforts as are to be found in No. 10 Downing Street.

But no longer is he a young man although he has many active years ahead of him.

Therefore, with the unhappy Gaitskell pledged to the H-bomb the coast is clear for Bevan to offer the party his leadership instead.

* * *

While this situation has been developing in the Socialist Party there is a growing disinfatuation with Macmillan in the Tory Party.

The feeling is that he makes too many speeches outside the House of Commons and that, instead, he should be more at his place on the Front Bench.

The older Tories recall the premiership of Stanley Baldwin who would listen to the speeches of his supporters and, in the process, assess their qualities.

Even poor Neville Chamberlain is posthumously acquiring a small halo as the oldsters remind each other of his constant attendance on the Front Bench.

* * *

Some Recovery On The Market

Despite the belief the Tory sun is setting, the stock market is recovering some of its optimism.

Despite the general belief that the Tory sun is setting the stock market is recovering some of its optimism.

Admittedly the London Exchange must react to its big brother in U.S. but the British investor is calmly confident.

A high spot is the announcement by Sir Patrick Hennessy, the chairman of the Ford Motor Company in Britain, that the financial year's trading shows a remarkable development.

The profit has doubled and the final dividend is 6% which raises the total payment for 1957 to 9% against 7½% for the previous year.

* * *

It is impossible to keep Canada out of the news. Now it is a Canadian, Esmond Butler, who has been appointed assistant press secretary to the Queen.

Thus is history made, for Mr. Butler is the first Canadian to join the Royal staff in such a capacity.

George Drew hit the pavement as well as the headlines in Geneva but it is good to learn that he has suffered no serious injury.

He had journeyed to Geneva as leader of the Canadian delegation to the UN conference on "The Law of the Sea." He was only in hospital for one day.

London is like a stage and those who live in the centre of the great old metropolis are like players.

Therefore it is not mere flattery to state that Canada's chief representative in London is a man whose personality has made a swift impact upon this much-invaded London.

* * *

It is not without significance that Britain's trade gap, measured by the excess of imports over exports, was considerably lower for February than in January.

In January the gap was £34.8 million but in February it was only £11.3 million.

This is the lowest figure for 13 years excepting 1954 when there was a disastrous dock strike and also in July 1946, when a sharp reduction in the import bill was the main contributory factor.

* * *

The delayed arrival of the Queen Mother from her Commonwealth Odyssey has reminded all of us of our debt to her.

She brings to her tasks a gentleness and friendliness which never change.

And now she has proved that she has great powers of endurance as well.

No wonder there are rumors that she might become a shortened-term governor-general of one of the Commonwealth countries.

It would be an admirable appointment even if a break in tradition.

ANNOUNCEMENT

TIP TOP TAILORS ANNOUNCE NEW APPOINTMENTS

MR. A. J. NOON, R.I.A. — MISS L. M. KENNEDY, C.P.A. — MR. F. V. VETERE

Mr. B. Dunkelman, President of Tip Top Tailors Ltd., announces the following appointments.

MR. ALFRED J. NOON, R.I.A., Comptroller. Mr. Noon joined Tip Top Tailors in 1949 as Assistant Cost Accountant after wide experience in the banking and industrial fields. Since then, he has held successively the posts of Chief Cost Accountant and Assistant Comptroller. Mr. Noon is a registered member of the Society of Industrial and Cost Accountants of Ontario.

MISS LENORE M. KENNEDY, C.P.A., appointed Secretary of the Company. Miss Kennedy joined the Company in 1948 as Chief Accountant — after broad experience in the accounting field in various industrial organizations. Prior to the new appointment, Miss Kennedy was Budget Comptroller.

MR. FRANK V. VETERE, appointed Assistant Treasurer and Budget Comptroller. Mr. Vetere was educated at St. Michael's College and joined Tip Top Tailors in 1942. Mr. Vetere has come up through the ranks of the Company, and was Assistant Comptroller, which position he held until his recent appointment as Assistant Treasurer and Budget Comptroller.

Co-incidental with the appointment of the new officers, Mr. B. Dunkelman announced the culmination of internal expansion plans which saw the successful establishment of Ready-to-Wear clothes in all 61 Tip Top Tailors' stores, Men's Furnishing Departments in 49 stores and Boys' Wear Departments in 10 stores of the Company.

CANADA WIRE & CABLE CO. had 496 Class A and 1,045,040 Class B shares outstanding as at Feb. 28.

ANNOUNCEMENT

TRAVEL HOUSE APPOINTMENTS

J. HAMPTON POOL

PEGGY DE ROUX

The Board of Directors of Travel House Limited announce the election of J. Hampton Pool as President and of Miss Peggy de Roux, as Vice-President. Mr. Pool is well known in sporting circles as coach of Toronto Argonauts and a former coach of the Los Angeles Rams. Miss de Roux was formerly associated with American Airlines prior to forming Travel House in 1956.

Company Report

Iron and Steel

JAMES ROBERTSON CO., Montreal, net profit of $161,935 for year ended Nov. 30, 1957 was 35.8% lower than previous fiscal year's $252,151.

Construction industry was affected by tight money, says President Ivan R. Leger.

Company's resources were a record high in cash and securities, up $750,000 from previous year to about $1 million. Improved position is due in part to more effective control methods which have permitted reduction of inventories and receivables.

Annual meeting is March 28.

CONDENSED INCOME ACCOUNT

Year ended Nov. 30:	1957	1956
Operating revenue ..	$338,067	$499,167
Add: Invest. income .	14,980	16,656
Less: Deprec.	56,112	54,672
Income taxes	135,000	209,000
Net profit & surp. ..	161,935	252,151

Note—Co.'s reports show net profit of $195,021 in 1957 incl. prof. on sale of fixed assets and $298,350 in 1956, incl. prof. on sale of invests. and fixed assets.

Earnings per Share and Dividend Record:	1957	1956
Preferred: Earned .	....	$4.03
None paid.		
Common: Earned .	$1.30	2.00
Paid	0.50 + ‡stk.	*stk.

*1 sh. 3% pref. sh. ($1) for each sh. held.
‡½ sh. 3% pref. sh. ($1) for each sh. held.

Shs. o/s at Nov. 30:	1957	1956
3% pref. $1	....	62,500
Common, n.p.v. ..	125,000	125,000

CONDENSED BALANCE SHEET

As at Nov. 30:	1957	1956
Cash	$606,951	$77,314
Mkt. sec.*	389,562	157,820
Accts. rec., less res..	1,532,537	2,341,791
Inventories	749,636	895,559
Life ins. c.s.v.	40,947	37,227
Total curr. assets .	3,319,633	3,509,711
Prep. exps.§	16,241	24,312
Invest. in subsid.	1,174	1,174
Fixed assets▲	822,162	847,704
Total assets	4,159,210	4,382,901
Accts. etc., pay.	742,380	901,502
Income tax	57,534	129,624
Total curr. liabs. .	799,914	1,031,126
Capital stock	1,188,740	1,251,240
Capital surplus	812,500	687,500
Earned surplus	1,358,056	1,413,035
*Market value	432,550	262,160
▲After deprec. of ..	368,369	328,270

§Included in current assets in company's report.

Working capital	2,519,719	2,478,585

BY LEAPS AND BOUNDS . . .

The countries of the kangaroo and kiwi—Australia and New Zealand—are among the fastest growing markets in the world.

If you are planning to go there, we'll be glad to send you a copy of "Company Formation in Australia" and our Travellers' Guides—there's one for each of the ten principal centres containing valuable up-to-the-minute information, including street maps:—Sydney, Melbourne, Adelaide, Perth, Brisbane, Tasmania, Wellington, Auckland, Christchurch and Dunedin.

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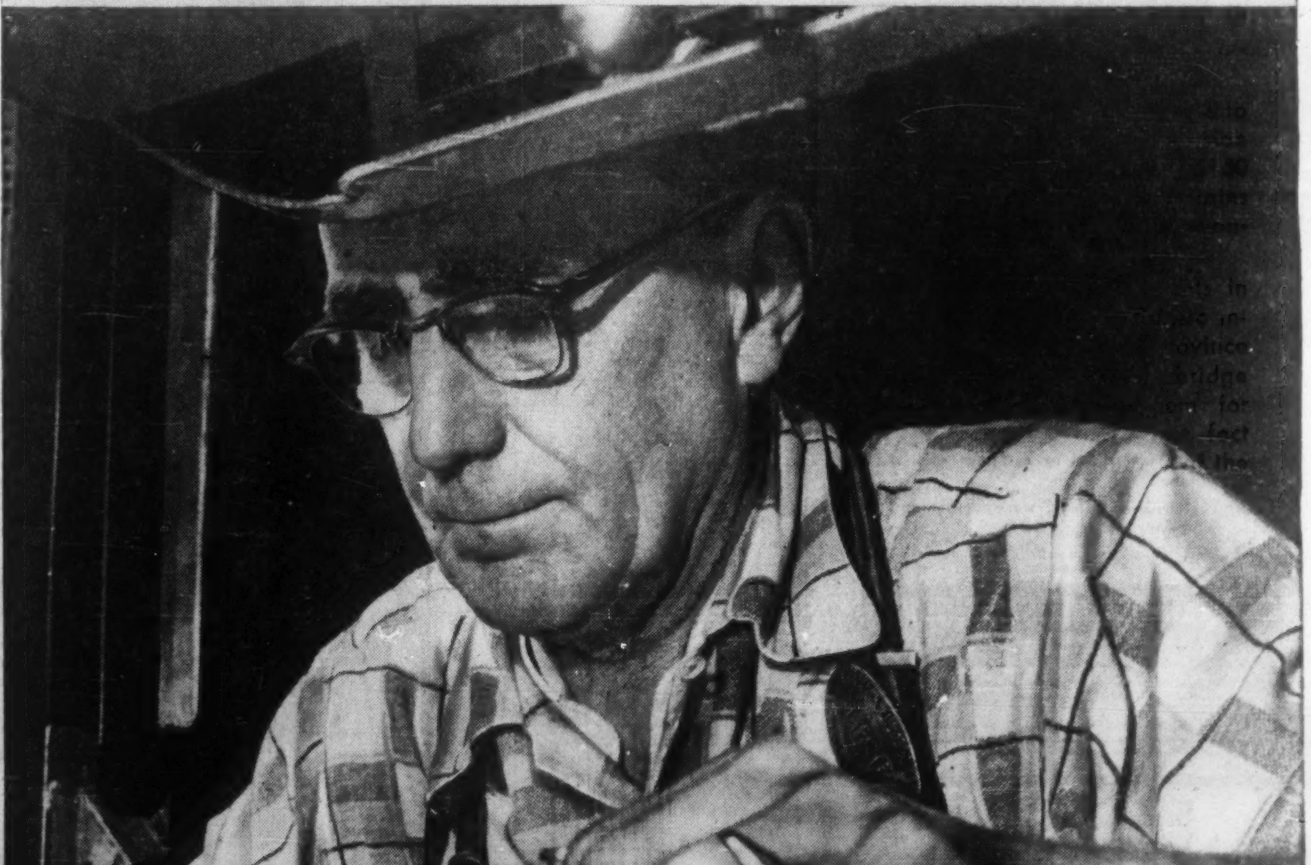
A·N·Z

AUSTRALIA AND NEW ZEALAND BANK LIMITED

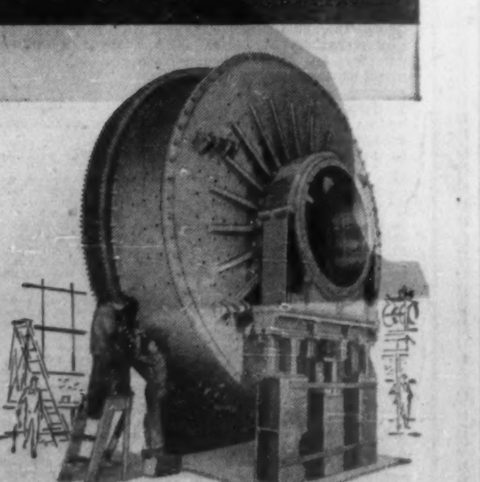
This man is what Vickers is made of



He is a surgeon in steel. When he slices metal, it is as if a life depended on his incision. When he checks his tolerances, his margin of error is less than the thickness of a human hair. He is not an ordinary man.

Yet without such men as this, Canadian Vickers could not exist. Without his kind of integrity, Vickers would never be able—or be asked—to make the processing equipment, tanks, boilers and presses which they now supply to Canadian industry. This man is today's version of yesterday's craftsman ...and he is the stuff that Vickers is made of.

CANADIAN VICKERS LIMITED
Montreal Toronto
CANADIAN MEMBER OF THE VICKERS GROUP



Typical of Vickers-made special equipment for industry is this huge grinding mill for a leading Canadian mining company.

Custom manufacturers of all kinds of special machinery; industrial boilers; equipment for the mining and pulp and paper industries, and for hydro-electric and water control; ships of all types and sizes; marine engines and oil operated reverse reduction gears; general engineering, specializing in metal work.

The Financial Post
Vol. LII | Member of Audit Bureau of Circulations | Publication Office: Toronto, March 22, 1958 | Twenty Cents an Issue, Six Dollars a Year | No. 12

BRITISH COLUMBIA 1858-1958

a feature report

THERE ARE many good reasons for British Columbia's bubbling enthusiasm and lively pace these days. Canada's third largest province is celebrating its 100th anniversary with considerable pride, pomp and pageantry.

It counts many blessings, particularly during a spectacular postwar period. Graphic examples: Population has increased 56%, net value of manufacturing production has soared 300%. Its future? Some predict that B. C.'s progress in the next two decades will rival its achievements of the past century.

Years of planning, a provincial government centennial budget of $5 million that backs dollar-for-dollar the expenditures of 300 communities, and a cast of 1.5 million, these are the principal ingredients of B. C.'s ambitious centennial plans.

More than 1,000 events are scheduled. Among them: Gold rush jamborees, fairs, rodeos, street dancing, fruit festivals, regattas, parades, pageants and numerous sports events. An important feature will be the B. C. International Trade Fair in May, first ever held in western Canada. Trade-conscious B. C. expects 15,000 visitors for this event alone.

Before the year is over B. C. expects to play host to at least three million outside visitors who will leave behind perhaps $150 million tourist dollars and spread mountains of goodwill and publicity extolling B. C.'s wonderful advantages and opportunities.

Spurred by dramatic developments in hydro power, petroleum and other basic industries, once-remote regions of the province are being opened by an intensive road, bridge and railway building program. Room for enormous expansion is evident by the fact that 75% of the population live in 5% of the province's 366,255 square miles.

International Trade Fair

Seeks Bigger Share of Export Market

British Columbia hopes to win a bigger share of Canada's world export trade ($2.8 billion in 1957) through sponsorship of the B. C. International Trade Fair, May 1-10, at Vancouver.

The province expects some 15,000 visitors from Canada, the U. S., Europe and other parts of the world.

More than 100 exhibitors will occupy the halls of the Pacific National Exhibition.

Development of trade is important because B. C. exports 40% of its commodity production.

Exports through B. C. ports in 1957 have been estimated by the B. C. Department of Industrial Development, Trade and Commerce at $860 million, up 11% on 1956.

In 1956 B. C. commodities represented 90% of exports through west coast ports.

Imports last year have been estimated at $510 million, down 3% from the year before.

Stanley Malinoski, FP's Industrial Relations Editor, has spent weeks traveling British Columbia interviewing leaders of business, industry and government to bring you this special report. Formerly of Fort William, he joined The Post early 1957.

Nations Represented

Ten nations have entered prestige exhibits, and products from an additional 20 countries will be displayed at Vancouver's Exhibition Park.

The participating governments: Canada, Czechoslovakia, France, West Germany, Israel, Japan, South Korea, Netherlands, Thailand and the U. K.

Japan will be one of the largest outside exhibitors, with silks, cameras, toys, precision instruments, some foodstuffs and a new passenger car, the "Toyopet," being mass produced.

The U. K. government exhibit will consist of high grade British consumer goods selected by the Council of Industrial Design. U. K. firms will emphasize heavy machinery and engines. One of the prestige exhibits from Britain will be a **Rolls-Royce** jet aircraft engine.

Thailand is bringing an exotic display from the Orient. There will be a wide range of toys for which the Siamese are renowned. Teakwood furniture and silks will be featured.

PACIFIC NATIONAL EXHIBITION grounds: Site of the Trade Fair in May, the Exhibition in August and sports events throughout the year.

South Korea will show fabrics, light machinery and furniture.

The Netherlands will show heavy machinery for land reclamation, and marine machinery, a departure from their usual foodstuffs exhibit.

West Germany plans a major industrial exhibit.

France will concentrate on the perfume industry, the tourist business and a general manufacturers display.

Canada's contribution will be an exhibit from the National Industrial Design Council which already has been shown in Milan, Paris and Brussels.

The Council's products will be miscellaneous household objects of outstanding design — furniture, fabrics, kitchen utensils, ceramics, cutlery and floor coverings.

Two young English designers, Geoffrey O. Smith and Peter Blewett have ambitious plans to completely transform the four big buildings of the Pacific National Exhibition.

Using 40,000 sq. ft. of plywood, 70,000 bd. ft. of lumber and 10,000 sq. ft. of fabric, they will provide false ceilings and a new facade, while the exhibits themselves will be seen in pools of light and set out on special partitions in blazing colors.

In addition to Rolls Royce there will be **English Steel Corp., Firth Vickers Stainless Steels Ltd., Metropolitan Vickers Ltd., British Insulated Callenders Cables Ltd., British Thomson-Houston Co., United Steel Co., Bristol Aero Engines, British Ropes Canadian Factory Ltd., Orient and Pacific Steamship Lines** and **Grosvenor-Laing.**

Among Canadian companies participating are **Aluminum Co. of Canada, Thomas A. Edison of Canada Ltd., British Columbia Tree Fruits** and **Canadian Banana Co. Canadian Pacific Airlines** and **Trans-Canada Airlines** have entered transportation exhibits. Another exhibit of interest will be that of **Wenner-Gren (B.C.) Development Ltd.**

An interesting sidelight: A letter from an artificial pearl manufacturer in Bombay, India.

He asked for one sq. ft. of space. His bid was accepted with the proviso that the enterprising exhibitor also take enough space for customers to walk around his square foot of pearls.

Buyers will be offered hotel and stenographic service, while the **B. C. Electric** is planning to provide interpreters.

The four halls of the Pacific National Exhibition have been renamed the "hall of nations" for government prestige exhibits; a "commercial building" for hardware, electrical equipment and precision instruments; "hall of modern living" for textiles, fashions and sports cars; and a "hall of transportation and commerce" in which airlines and tourist bureaus will exhibit.

U. K. MANUFACTURERS will be well represented at the B. C. Trade Fair. Inspecting the PNE site are: Leslie Reid, U. K. Trade Commissioner, Vancouver; Alistair McLean, manager, British Tourist Association in Canada; Bruce Barnett, Trade Fair manager; and David Brower, U. K. information officer, Vancouver.

These Men Head Fair

These men head the B. C. International Trade Fair Committee:

R. D. Noble, chairman, Vancouver.

W. J. Borrie, president, **Pemberton Securities,** Vancouver.

L. J. Wallace, chairman, B. C. Centennial committee, Victoria.

T. L. Sturgess, deputy minister, Department of Industrial Development, Trade and Commerce, Victoria.

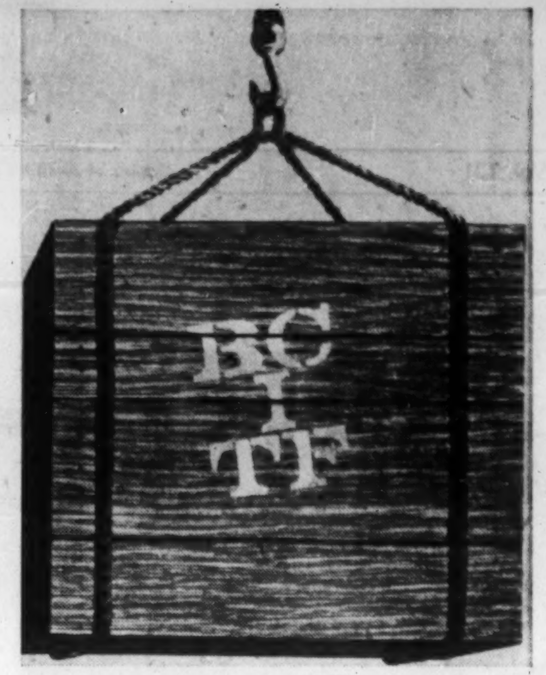
Alderman T. F. Orr, City of Vancouver.

R. V. Robinson, manager, Canadian Manufacturers' Association, Vancouver.

R. T. Rose, general manager, Vancouver Board of Trade, Vancouver.

G. MacKinnon, **Shell Oil Co.,** Vancouver.

D. H. Mollison, administrative assistant, Department of Industrial Development, Trade and Commerce, Victoria.



THIS CREST IS the symbol of the B. C. International Trade Fair.

Kitimat

Big Sales Drive

Easing aluminum markets have ended the first big blast of growth at B. C.'s far-northern Kitimat.

It seems unlikely at present that there can be a big upturn in aluminum demand before late 1958.

Therefore, it is unlikely that **Aluminum Co. of Canada's** growth will be resumed at Kitimat before late 1958 or 1959.

Present Kitimat capacity is 180,000 tons annually — 23% of Alcan's Canadian capacity. Of the five completed lines in existence at the B. C. site, four are producing, the other is not.

A stretch-out in expansion has delayed completion of two additional lines, both partly finished, with 80,000 tons capacity.

World aluminum consumption this year is expected to be roughly the same or slightly lower than in 1957.

The meaning: For the first time in years, aluminum capacity has caught up with — and passed — demand.

That is leading to an extra-hard selling drive to develop the many uses of the lightweight metal.

This fact lends some optimism to the long run.

In the past, new uses have had to compete with old for the metal, which was in short supply. Now new demand can be fully supplied.

If there is a general economic recovery in the near future, then demand for alumnium should spurt, once more outpacing the averages.

And that should set Kitimat once more on the expansion road toward its ultimate planned capacity of 550,000 tons.

Direct result of the halt in Alcan's expansion, Kitimat's population of 13,500 is likely to remain fairly static until the program is resumed.

But community progress will go on, somewhat slower than the 1957 pace.

Work is slated to start on a $3.8 million hospital, initially to accommodate 100 beds but designed for easy expansion to 280 beds.

Private interests plan an $800,000 office building.

These two projects are expected to provide work for about 300 formerly employed by the **Saguenay - Kitimat Co.,** Alcan's subsidiary construction company.

More work will be available on municipal service projects, land development and the Kemano generator installation.

Altogether some $13 million is earmarked for expenditure in the Kitimat-Kemano area during 1958.

Projects last year included 80 apartment buildings.

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B.C. 1858 1958 CENTENARY

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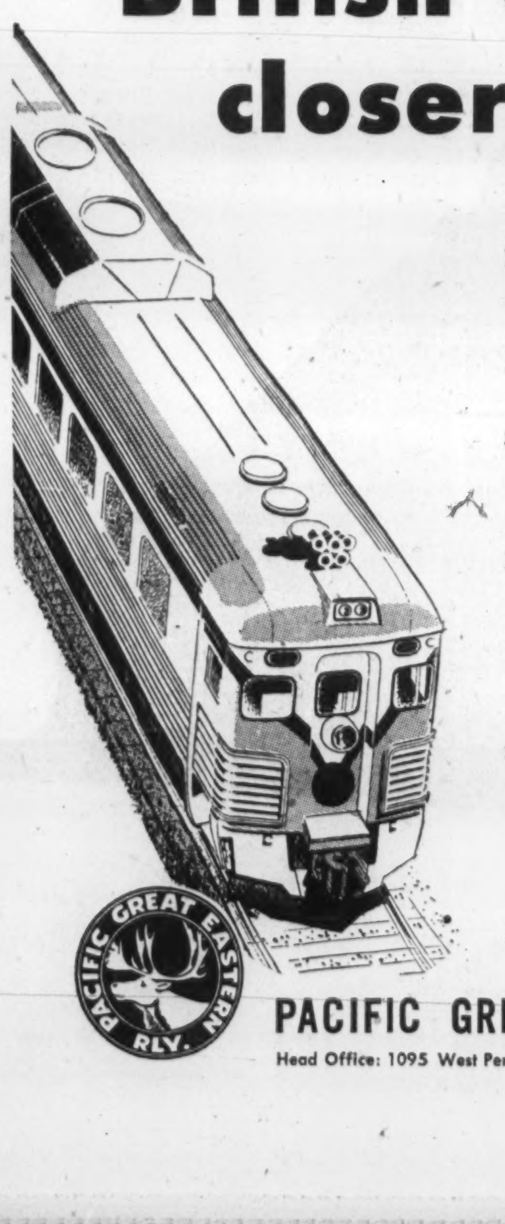
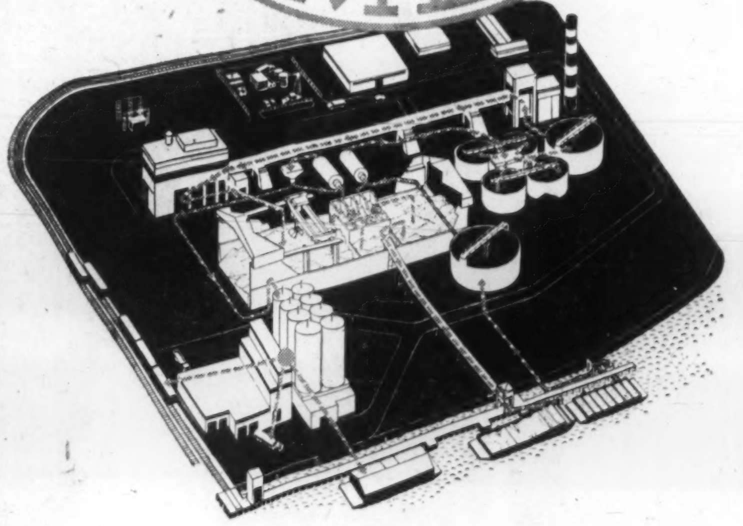


A SYMBOL OF PROGRESS

PORTLAND LAFARGE CEMENT



BASIC INDUSTRY FOR AN EXPANDING B.C.

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B.C.'s Potential Exciting But...

Biggest Needs Are More Capital, People and Enterprise

By STANLEY MALINOSKI

Lusty centennial celebrations and exciting developments and predictions that touch every corner of the resources-rich province — that's British Columbia today.

There's no denying B.C.'s potential: Immense mineral deposits, huge water resources, some of the world's largest forest stands, numberless ice-free harbors, good agricultural lands and favorable climate.

These assets wait only for bold enterprise, more capital investment and more people to use them.

"British Columbia's past 100 years will seem insignificant compared with its achievements in the next 20 years," a real estate executive predicts.

Unlike booming 1956 when new economic records flashed all across the horizon, B. C. had its share of disappointments in 1957.

This year, according to a government survey of business and industry executives, will be no better, no worse.

But British Columbians point to these developments shaping the course of tomorrow's progress:

- **Within months a railway that only recently went "nowhere" will reach the petroleum- and grain-rich Peace River district, 729 rail miles north from Vancouver.** The line cuts 526 miles from the district's rail route now via Edmonton to B. C.'s lower mainland, and points the way to an ultimate direct rail link with the Yukon and Alaska.
- **The petroleum industry has skyrocketed to importance. Gas production of 8.2 billion cu. ft. in 1957 was up nearly 1.900% over 1956;** oil output increased by 129% to 341,000 bbl. Two major transmission pipelines wind through the province, another is being promoted.
- **Predicts an electric company vice-president: "Natural gas will permit the development of industry on a scale hitherto unknown** in this province. This in turn should actually increase the demand for electric power."
- **Hydro builders are unleashing 300,000 hp annually. At this rate it would take more than 100 years to utilize B. C.'s water potential, so great are the reserves.** Among the projects planned is a 1.2 million hp. thermal generating plant that ultimately will use up to 144 million cu. ft. natural gas daily, nearly one half of today's throughput to Canadian and U. S. markets. The cost: $100 million.
- **Wenner-Gren interests are studying power potential in the northern regions which would result from a man-made lake 260 miles long** that will provide four million hp. Wenner-Gren have a $500 million to $2 billion development plan for the intriguing Rocky Mountain Trench.
- **Population increased 6.3% in 1957 to total 1.5 million (compared with 3.2% increase for the whole of Canada).** In the past two years B. C.'s population growth has over-shadowed the rate of the previous five years. A big factor: Births set an all-time record of 26.3 per 1,000.

Sheltered from the rest of Canada by mountain ranges, B. C. suffers only from the relative smallness of its own markets.

INCENTIVE

With comparatively few customers at hand and vast distances to reach the Eastern Canada markets, there is no great incentive to expand manufacturing.

As a result, the province's economy depends on exporting 40% of its primary and secondary resource products.

Roads and railways are needed to reach the untamed resources; plants and people are needed to develop them. Some $65 million is being spent annually on new highways and bridges.

There's hopeful talk of stepped-up trading with the Orient, chiefly China and Japan.

In these markets economists see B. C.'s biggest opportunities.

These figures spell out B. C.'s hopes:

In 1957, Japan imported goods valued at $139 million from Canada. Red China, with seven times Japan's population, imported $1.3 million worth of Canadian goods.

B. C. has the commodities China needs for its avowed industrialization program.

CHIEF NEEDS

The chief needs: Lumber, fertilizer, coastal and inland ships, fishing vessels, mining and roadbuilding equipment, chemicals, grains, pulp and paper.

An interesting sidelight: China's demands for fertilizer alone would take the entire annual production (675,000 tons) of the province's mining giant, **Consolidated Mining and Smelting Co.**

It's estimated that China must import 50% of the capital goods necessary for its industrialization plans. B. C. figures it could be a major supplier.

The stumbling blocks:

Will it be long before unrestricted trade is resumed with mainland China? Can poor, populous China pay dollars for these goods? Will our prices be competitive?

Experts figure shipping rates from Vancouver to the Orient at half the rail cost to Eastern Canada, which is about half the distance that B. C. is from the Orient.

The province is anxious to spark greater trading through the International Trade Fair in Vancouver, May 1-10, and through its year-long centennial festivities during which at least three million visitors are expected to visit B. C.

Industry is gearing for the next big wave of expansion. An example: A cement company recently opened a $16-million operation that has boosted by 43% B. C.'s cement making capacity to a total of five million bbl. annually.

HIGH VALUES

Property values have soared spectacularly. City owned lots in Vancouver alone have increased 25% in price in the past year.

Now the average price per foot is $105. Industrial property is $50,000 per acre, 15 times the asking price a decade ago.

The fishing industry lures thousands of free-spending sport fishermen from the U. S. and Canada, in addition to cash income of more than $60 million earned by full-time fishermen.

This year is expected to be the best in 45 years. The reason: Indications point to the biggest run of sockeye salmon up the Fraser River since 1913.

Airlines are flaunting big expansion programs, confidently reaching for a bigger share of world-wide services.

Vancouver-based **Canadian Pacific Airlines** is in the midst of a $35-million expansion, plans to make B. C. the apex of its cross-Canada service.

A long-awaited steel industry appears destined to come to life in B. C. within a few years.

Three firms have been studying the idea. Consolidated Mining, with vast iron reserves and low-cost hydro-electric power, is expected to make the first move, perhaps this year.

BIG WAGES

B. C. workers earned the highest weekly wage in Canada last year, just under $75.

The labor force showed the largest increase since the end of World War II — 33,000 workers, more than double the rise the year before. The total force passed the 500,000 mark.

What's the attraction?

Says a sales executive formerly from Ontario: "You can't beat the climate or the surroundings.

"The future, too. Where else can you ski in the morning and play golf in the afternoon?"

Probably no region on the North American continent has held so many trump cards at the outset of its industrialization.

They are trump cards because they are invariably items in great demand the world over, resources that have been increasingly on the wane in other countries.

Two fifths of the province's 234.4 million acres are productive forest land.

One eighth of the world's high grade coal is in B. C.

Most of Canada's lead, antimony, bismuth and tin comes from the West Coast and a large proportion of its silver and cadmium.

Meanwhile, through the magic of industrialization, broad efforts to speed up settlement of the interior regions lying beyond its coastal ranges, its population and its basic development industries, the province is trying to move onto more solid ground as a producing and consuming area.

British Columbia's Progress

	1956	1957	% Change
Population	1,398,464	1,487,000	+6.3
Net value production ($ million)	1,828	1,954	+6.9
Net value manufacturing ($ million)	830	860	+3.6
Net value forestry production ($ million)	628	585	—6.8
Net value mining production ($ million)	190	165	—13.2
Net value agricultural production ($ million)	137	140	+2.1
Net value fisheries production ($ million)	67.5	62	—8.2
Pulp production (tons)	1,406,000	1,291,000	—8.2
Lumber production (million board feet)	4,793	4,237	—11.6
Landed weight of fish (million lb.)	669	482	—28.0
Farm cash income ($ million)	109.8	115.6	+5.2
Value of construction ($ million)	829	898	+8.3
Value of building permits ($ million)	247	245	—0.8
Electric power consumption (million kwh)	9,773	10,800	+10.5
Freight loaded (million tons)	14.4	12.3	—14.5
Total personal income ($ million)	2,239	2,480	+10.7
Provincial payroll ($ million)	1,557	1,620	+4.0
Retail sales ($ million)	1,557	1,625	+4.3
Cheques cashed ($ million)	15,200	16,700	+9.8
Average weekly wages ($1)	70	73	+4.2
Sales of life insurance ($ million)	307	365	+19.0
Exports ($ million)	770	860	+11.6
Imports ($ million)	528	510	—3.4
Passenger cars sold (units)	38,169	28,350	—25.7
Consumption of gasoline (million gal.)	277	300	+8.3

Growth Potential

Estimates of the agricultural industry's potential envisage greater growth. UBC's Professor Anderson has drawn up this table of possible development:

	Present acreage under crop	Potential acreage
Vancouver Island	55,000	500,000
Lower Mainland	218,000	300,000
East Kootenays	33,000	400,000
West Kootenays	41,000	160,000
Okanagan Valley	147,000	80,000
Kamloops	67,000	75,000
Central Interior	185,000	1,000,000
Peace River	222,000	2,000,000
Total	968,000	4,515,000

B. C. Slate Co. In Operation

In the face of adverse conditions in the mining industry, **British Columbia Slate Co.** has started a small-scale mining operation that ships three tons of slate daily to the building market.

The company, formed in 1957, has revived an operation first started in 1897. Since then the site has been abandoned and restarted a number of times.

It claims to have the only producing slate quarry in Canada at its 500 acres at the head of Jervis Inlet, 140 miles north of Vancouver. The working face of the sea-level quarry is 50 ft. high and 400 ft. wide.

Among its chief uses: Roofing, patios, walks, landscaping, and even inside entrance halls and stairs.

Wenner-Gren
Power Behind Power

This question prompts debate in British Columbia today:

Is it possible to transmit economically four million horsepower of electricity 500 miles?

This subject is important because it involves **Wenner-Gren B. C. Development Co.** plans for harnessing the hydro power potential of the Peace River district in the northern B. C. interior.

Wenner-Gren engineers say this can be done without costly dissipation of power.

They are drilling in the area to substantiate favorable preliminary surveys by **British Thomson Houston Co. (Canada).**

They have until 1960 before making a definite commitment whether to proceed.

The B. C. Natural Resources Conference recently heard an opinion by Tom Ingledow, vice-president of **B. C. Electric Co.**

He said:

"Whatever the cost of power from the Peace River and its tributaries, and however attractive it might be for heavy industries nearby, it is by no means assured that surplus power from the area could be transmitted economically and prudently to the lower mainland.

Costly Project

"Such transmission (AC super high voltage) could be costly and certainly would be difficult to build, and more difficult to maintain . . . DC transmission has numerous problems yet to be solved."

Wenner-Gren apparently is banking on old and new transmission techniques used in Sweden, Russia, the Belgian Congo, Kenya and Uganda where, it is said, power is transmitted at very high voltages over long distances (i.e., up to 1,000 miles in the Belgian Congo).

DR. AXEL WENNER-GREN

Wenner-Gren's power plan for the Rocky Mountain Trench would mean creation of the greatest man-made lake in the world: 260 miles long and 10 miles to 15 miles wide.

No diversion of rivers would be necessary. A dam would be constructed just east of Finlay Forks on the Peace River before it flows east through the Rocky Mountains.

The plan would back up the Finlay River, from the north, and the Parsnip River, from the south, which merge at that point to form the Peace.

Wenner-Gren has proposed construction of a 400-mile monorail through the Trench to the Yukon border, building of a pulp mill and townsites.

Cost estimates range from $500 million to $2 billion. Swedish industrialist Dr. Axel Wenner-Gren is behind the plan.

Trading Dropped In '57

The tempo of trading on the Vancouver Stock Exchange slowed down in 1957.

But its reduced sales volume by 17½% was not as great as the 25% drop experienced by the Toronto Stock Exchange and the 27% decrease by the Montreal and Canadian Stock Exchanges.

Sales in 1957, the Vancouver Stock Exchange's golden anniversary year, amounted to $51,511,109, compared with the previous year's $62,393,429.

Shares traded totaled 34,632,868 compared with 53,784,370 the year before.

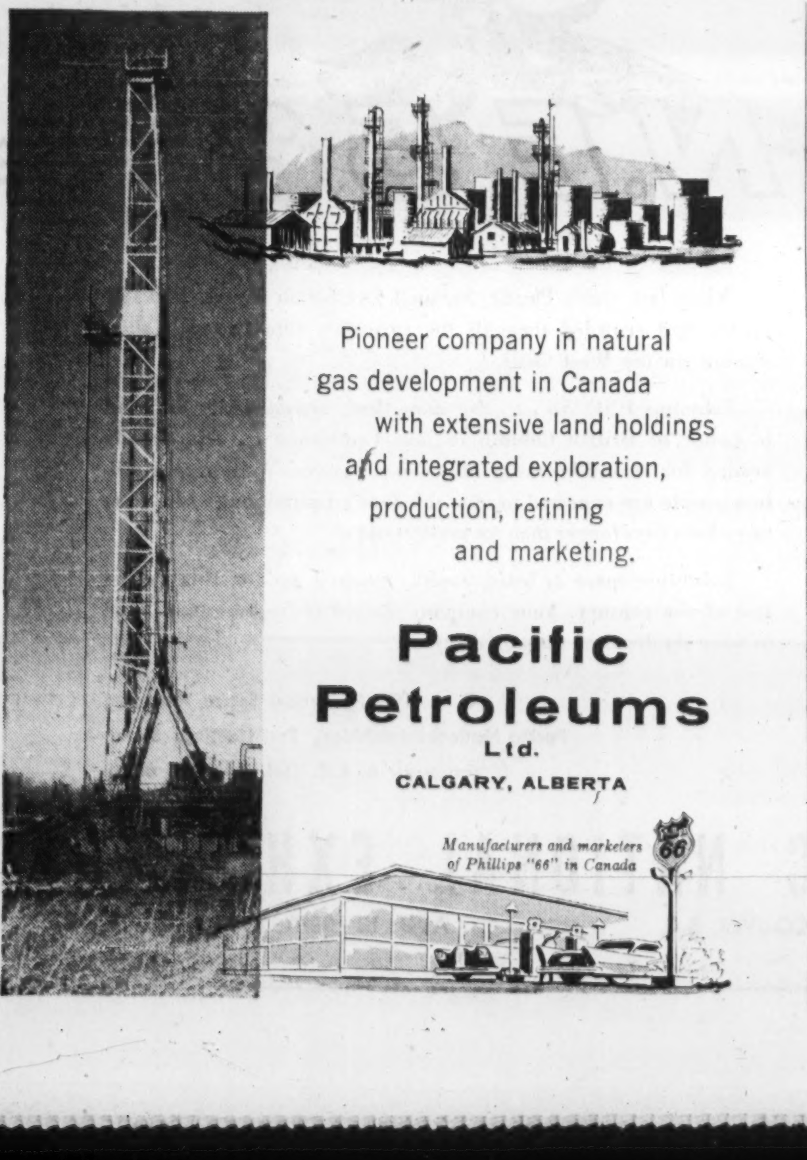
Here's the breakdown:

	Shares	Value $
Banks	1,971	88,548
Industrials	1,815,445	15,498,439
Mines	18,846,862	9,136,683
Oils	11,892,162	23,359,784
Curb	2,076,482	3,427,653

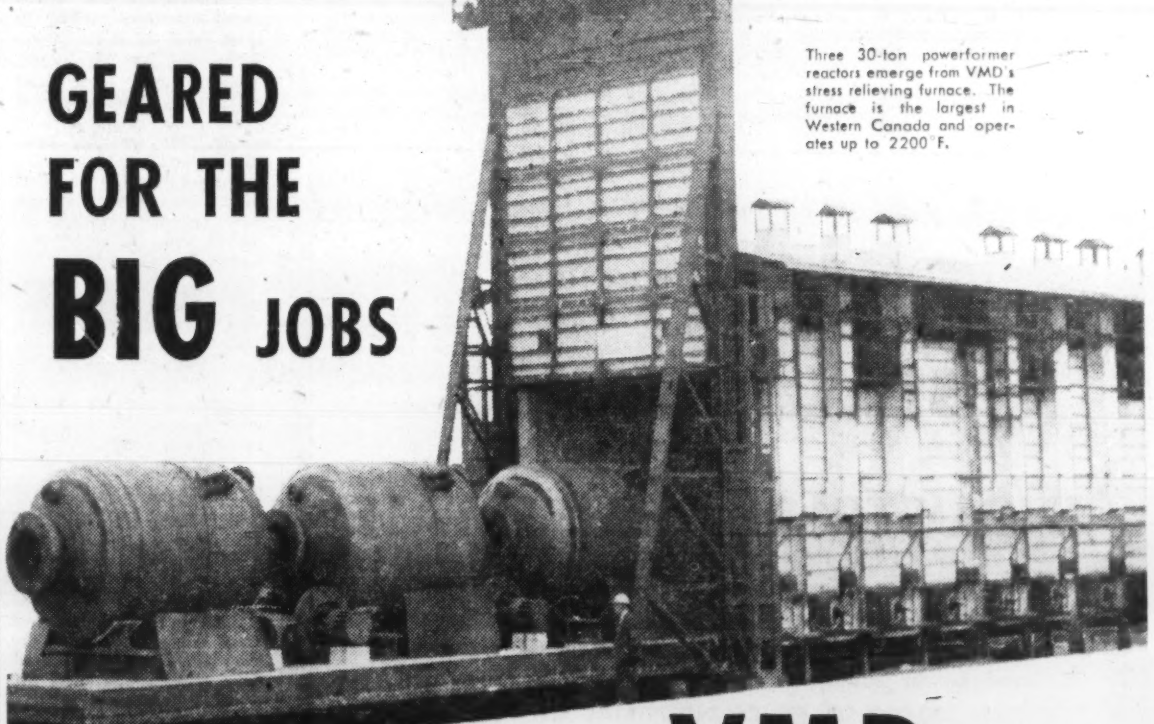
This year, says VSE Secretary John A. Van Luven, the Exchange hopes to regain lost ground. It hopes to do a sales volume of better than $62 million.

Today, some 225 corporate issues, thoroughly representative of Western Canada's business life, and inclusive of shares in many national corporations, are listed on the Exchange.

A highlight of the past year was the addition of 19 new listings, including in the last six months such giants as **Standard Oil of California, Dominion Stores** and **Brazilian Traction Light & Power.**



GEARED FOR THE BIG JOBS



Three 30-ton powerformer reactors emerge from VMD's stress relieving furnace. The furnace is the largest in Western Canada and operates up to 2200°F.

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Manufacturers of Rotary Kilns, Rod Mills, Ball Mills, etc.

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Specialists in Heat Exchangers with fully qualified process design personnel.

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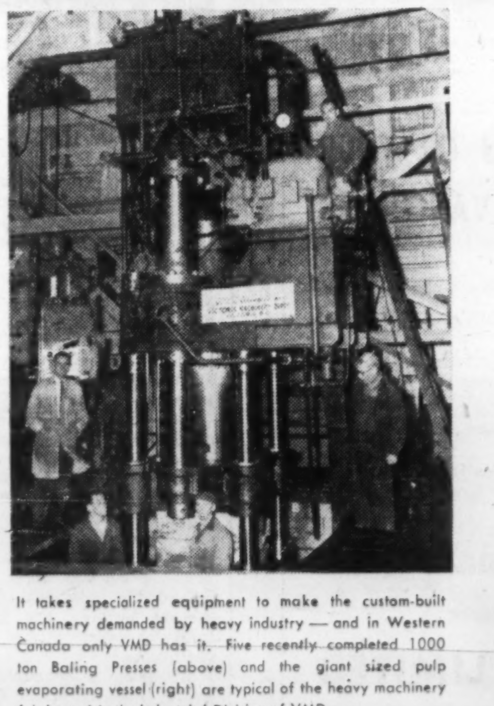
Ball Mills, Rod Mills, Conveyors, etc.

and other heavy equipment



It takes specialized equipment to make the custom-built machinery demanded by heavy industry — and in Western Canada only VMD has it. Five recently completed 1000 ton Baling Presses (above) and the giant sized pulp evaporating vessel (right) are typical of the heavy machinery fabricated in the Industrial Division of VMD.

VICTORIA MACHINERY DEPOT Co. Ltd., Victoria, B.C. — Branches in Vancouver, Nanaimo and Calgary.

B. C. Agriculture

Urgent Need for Expansion

There is urgent need and great incentive for expansion in B. C. agriculture, the province's third most valuable industry.

Here are reasons:

- **B. C.'s population has increased 13% in the past two years (up 6% to 1.5 million in 1957).** It is probable that by 1975 total population will increase to three million.
- **B. C. is not producing enough agricultural products to satisfy its own domestic requirements.** Cash income from farm products increased only 5% in 1957, and 6% the previous year.
- **Only 1.1 million acres in B. C. or half of 1% of the total land area, are in improved land,** and of that less than one million acres are actually raising crops.
- **In 1954 there were some 26,000 farm units with a labor force of 30,000 and farm cash income of $105 million.** In 1957, 24,000 farms employed 20,600 (4% of B. C.'s total labor force) and showed farm cash income of $115.5 million.

PLENTY OF ROOM for growth in B.C.'s agricultural industry. This is the Peace River district.

As in other parts of Canada the trend is toward larger and more mechanized farms.

Farm labor percentages in B. C. and Canada as a whole (12% of the work force) have been declining in recent years and will probably continue downward even though B. C. farm employment is not likely to decline farther, forecasts Professor W. J. Anderson of the University of British Columbia's department of agricultural economics.

And note this comment from the B. C. Federation of Agriculture:

Take Extra Jobs

The position of the B. C. farmer is 'extremely adverse" compared with farmers elsewhere in Canada. The reason: Farmers across Canada find their costs 40% of income; in B. C. they are 74%. Only by taking part-time jobs, 60% have been able to get by.

A widely diversified list of farm products — mainly dairy products, poultry and eggs, fruits, grain and livestock — contribute to B. C.'s cash income.

The need is for increased diversified farming.

The only B. C. products shipped to Canadian and foreign markets are fruits, vegetables, seeds, eggs, hops and flowers. Imported in substantial quantities are grains, flour, livestock, meats, butter, cheese and vegetables.

With few exceptions, B. C. can produce any type of farm crop which is grown elsewhere in Canada, and some that cannot be produced elsewhere. Examples: Medicinal crops such as cascara and digitalis.

A look at the type of production reveals that dairy production for the province is concentrated in the Fraser Valley and Vancouver Island; fruits and vegetables in the Okanagan; beef cattle mostly in the Cariboo and Kamloops regions; and cereal crops in the Peace River region.

Recovery from the disastrous frost damage of 1955 highlighted production in many sectors of the B. C. farming industry in 1957.

In addition, availability of farm labor, due largely to the influx of immigrants and lessened labor competition from industrial projects, enabled farmers to lower production costs.

Income Increased

Increased income was enjoyed by vegetable growers, cattle ranchers, dairymen, fruit growers and fur farmers.

Poor weather reduced the harvest of grain, seed and hay crops.

Here's how the industry fared in 1957:

Dairying — Milk production, a $30 million industry, was up slightly. The trend to diverting more milk into the fluid trade rather than into byproducts continued. Because of this B. C. imported more butter, cheese and other dairy products.

Livestock, poultry and eggs — Exports to the U. S. were brisk due to drought conditions in the U. S. Some 25,000 head of B. C. cattle were shipped to the U. S.

Egg prices dropped due to increased poultry production caused by a 15% rise in poultry population and a 45% boost in egg output.

Fruits and vegetables — Apple production was 6.8 million boxes, up from the long-term average of six million boxes.

This resulted in lower prices, $2 per box compared with $2.75 in 1956. Other fruits brought lower prices.

Potato production, which accounts for one third of the total value of B. C.'s vegetable crops, was up slightly.

Grains and other field crops: Hay, pastures and grass crops produced good yields. Wet weather, however, caused some harvesting problems. Seeding of wheat in the Peace River area was down to 26,000 acres from the 30,000 acres sown the year before.

In the provincial submission to the Gordon Commission, it was pointed out that 500,000 acres of potentially high productivity could be brought under cultivation. During the next 20 years a 26% increase in farm cash income was predicted.

Necessary Factors

These factors were mentioned as necessary to this expansion:

- **Major public investment for clearing, irrigation, drainage,** dyking and access roads.
- **Long term, low interest loans to farmers with deferred capital repayments spread over 30 years and lower interest rates than those** currently offered by the Canadian Farm Loan Board.
- **Changes in federal tariff policy so that agricultural products imported from the U. S.** face the same tariff as Canadian products exported to the U. S.

The public investment proposed is for:

Some 2,000 miles of all-weather access roads; for a $75 million program of irrigation to improve 400,000 acres of land; for reclamation through dyking and drainage of another 35,000 acres at a cost of $2 million, and for a $10 million clearing of 154,000 acres.

Irrigation of crop lands plays an important part in attempting to achieve maximum production per unit.

Noteworthy is the estimate of the B. C. Department of Lands' Water Rights Branch that there are 150,000 acres of irrigated lands in B. C., of which 50,000 are under the control of public and private organizations while the remaining 100,000 acres are irrigated by individual effort, mostly for hay and grain land for stock ranches and field crops.

Irrigation is practised on nearly 7,000 farms in B. C., the equivalent of approximately one third of B. C.'s total farms.

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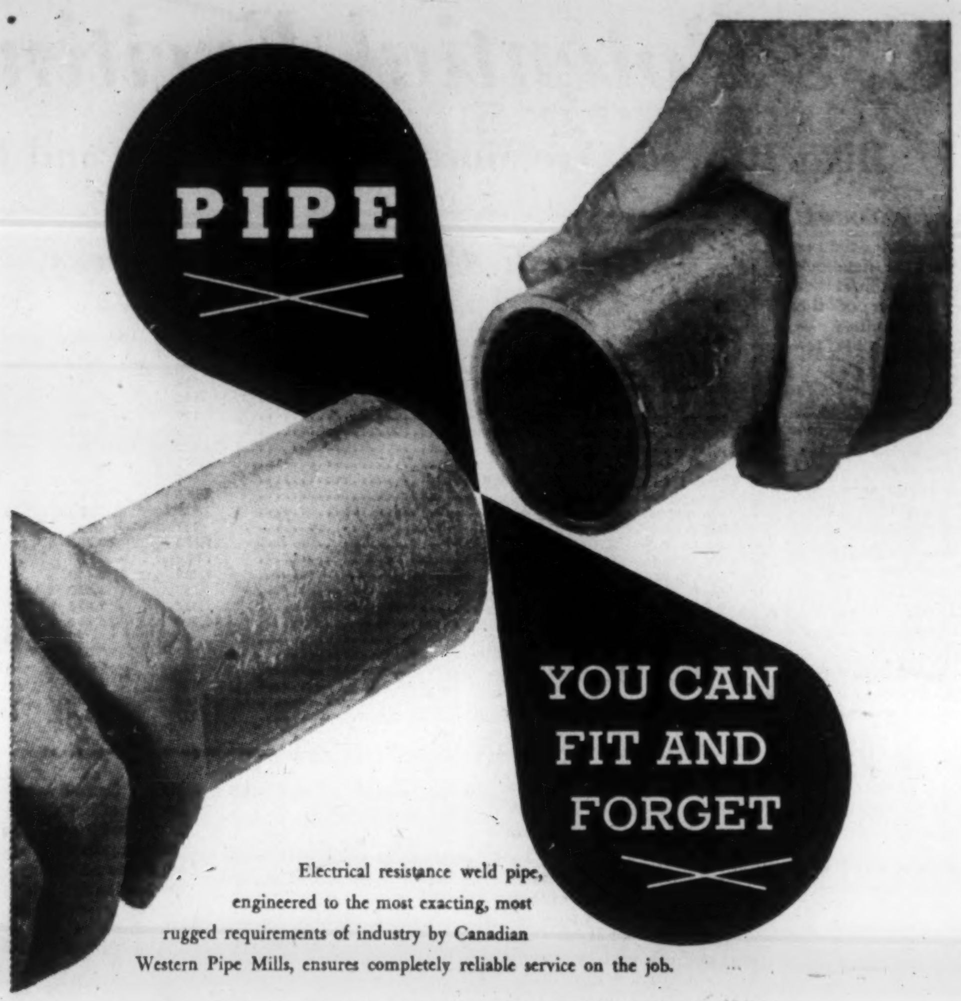

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PACIFIC NATIONAL EXHIBITION

VANCOUVER, B.C. AUG. 18 - SEPT. 1, 1958

J. F. BROWN, *President* A. P. MORROW, *General Manager*

BEST SOCKEYE SALMON catch in 45 years expected by B.C.'s fishing industry this year.

Fish Industry

Biggest Salmon Run?

British Columbia's fishing industry has its fingers crossed in anticipation of the greatest run of sockeye salmon in 45 years.

If survey indications materialize, a bonanza run of 12 million sockeye will make their way from the ocean to spawning grounds inland. Note: Last year's catch was three million, weighing 15.5 million lb.

The International Pacific Salmon Fisheries Association is staking its forecasting record on the last five years (during which "we haven't been too far wrong") on this prediction.

Salmon are watched closely for these reasons:

▸ **The regularity of salmon cycles is the mainspring of B. C.'s fishing industry, which ranks fourth in the province's economy.** B. C. accounts for 36% of the market value and 26% of total poundage of all fish caught by Canada.

▸ **Marketed value of B. C.-caught fish was $62 million in 1957**, down 8% from the year before.

▸ **In addition, B. C.'s income from sport fishing, chiefly spring and coho** salmon, is estimated at $100 million annually.

Why the optimism?

The escapement in 1954 was more than adequate for maximum seeding of the spawning grounds. Also, the entire escapement of 2.1 million fish to the Adams River went up the Fraser River in 60 hours, which was very favorable.

In Good Condition

Sockeye passed to the spawning grounds in good condition, spawned at the right time and in excellent conditions, and the fry hatch was observed to be excellent.

Downstream migration of yearlings in the spring of 1956, compared with the previous large Adams River runs, was considered "fantastic."

Sea survival of the three-year-olds, or "jacks," which returned in the fall of 1957 was so excellent that B. C. had the largest run of these fish since 1912.

The run of three-year-olds in 1957 was 30% to 40% greater than the number preceding the 1954 run of 12 million fish.

The big question: What has happened to the sockeye in the ocean during the past year.

Here is the up-to-date position of the industry:

- **B. C.'s fishing fleet totals about 8,200 boats worth $43 million, plus equipment valued at $7.6 million.** Some 12,000 are engaged in full-time fishing, another 5,000 in processing plants. Plants are valued at more than $100 million.
- **The 1957 catch weighed 482 million lb., a decrease of 28% from 1956.** Landed value of $28.7 million was down 20% from 1956.
- **Salmon accounted for 128.8 million lb. The value of salmon was $18.4 million compared with $21.3 million the year** before. Landings were up 12% over the low catch of 113 million lb. in 1956.
- **The herring catch weighed 293 million lb. worth $4.3 million compared** with 491 million lb. worth $7 million in 1956.
- **Balance of the catch was made up of halibut (21.1 million lb., down 9%) cod,** sole, other flatfish and shellfish.

Important Role

These facts emphasize the role of salmon as the important feature of the industry. The salmon catch accounts for 60% of the industry's net value of production and about 50% is canned.

The five leading species of salmon, with 1957 catch weight in brackets, are sockeye (15.5 million lb.), chum (25.2 million lb.), pink (56.5 million lb.), coho (20.2 million lb.), and spring (10.5 million lb.).

Altogether 20 varieties of Pacific fishes are caught in commercial quantities by B. C. fishermen.

Sockeye, with its red color, firm texture and uniform size, is the most valuable.

Sockeye return from the sea to spawn in B. C. rivers on a four-year cycle. Pink salmon, a smaller fish that normally comes in greater numbers than the sockeye, return after two years.

The significance of these traits is that the fishing industry has considerable interest in building up the catch on known off-years. It is also one of the reasons for the continuous argument between power and fishing interests.

The canning industry's pack of sockeye amounted to 680,000 cases in 1954, 245,000 cases in 1955, 320,000 cases in 1956 and 227,000 cases in 1957.

Last year's small pack of sockeye, down 28%, caused such a serious shortage in the industry that to maintain markets abroad it was mostly exported.

Imports from Japan

To keep shelf space in Canada the industry imported and distributed $2.2 million worth of Japanese canned salmon.

This was a break-even process but necessary to retain retail interest. It is not likely to be repeated this year in view of the bumper crop that is expected.

The pink salmon's two-year cycle has produced this result in the processing industry: 1952, 679,000 cases; 1953, 794,000 cases; 1954, 335,000 cases; 1956, 831,000 cases; 1956, 363,000 cases; 1957, 751,000 cases.

The most significant happening in the industry was the increase in the packing of pink salmon — a whopping 107%.

Frozen salmon production dropped 36% to nine million lb.

Industry spokesmen say that if the salmon catch can be improved they will have very little difficulty selling it.

Most promising for development: The domestic market, particularly frozen salmon. In the future is the prospect of distributing salmon in Eastern Canada by air freight.

Improvements in fishing vessels have led to more centralization of processing plants.

Since fish can be brought longer distances, the smaller canneries have been going out of business. Experiments in the use of brine tanks for refrigeration on boats, and government approval of aureomycin in chilled sea water and ice, have accentuated this trend.

Increased Demand

Other aspects of the processing industry are the increased demand for herring products such as edible oil and poultry meal, increased popularity of frozen halibut and tuna and the greater interest in shellfish.

Where else can the industry look for growth?

"Many of us will live to see the development of important fisheries not now in existence," O. J. McDonald, president of the Fisheries Council of Canada, last month told the B. C. Natural Resource Conference in Victoria.

"We have many other species presently unexploited but with tremendous growth potential.

"What may we be taking a few decades hence? More tuna, sardines, herring, rockfish, and other familiar species seem obvious, but there are other possibilities.

"There are many other kinds of fish, perhaps the tasty pomfret, or the abundant saury which supports one of Japan's major fisheries, and even invertebrates may become important.

"The so-called 'scattering layer' a few hundred fathoms down may have some usable species in great abundance."

Mr. McDonald's advice:

"We must understand the ocean, its temperatures, salinities and other properties, how and why its fertility varies, and its water masses and their movement.

"We must develop better ways of finding and catching fish at all depths. Detection devices, catching gear and fishing vessels must all be improved.

"B. C. today is doing relatively little in this field and it will reward us to keep abreast of new developments everywhere.

"It is in new fisheries rather than in those which are already intensively cultivated that improved fishing equipment and methods will show their true value.

"Only by so doing can we take our share of the great fishery resources as the decades pass."

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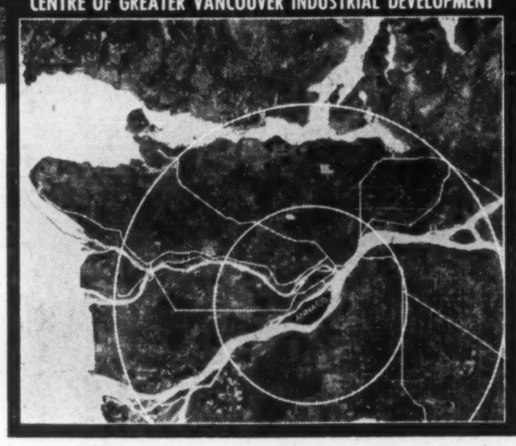
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'A Hundred Years to Celebrate'

British Columbia, true to its tradition of not doing anything unless it can do it big, is host to the world's biggest birthday party this year complete with a 10,000-lb. cake.

With a cast of 1.5 million and millions of dollars to spend, the exuberant province is hailing 100 years from the granting of crown colony status to the mainland.

It's the climax to nearly three years of planning, organization, frustration, arguing, stalling, a thousand ups-and-downs, that only a project of such magnitude could generate.

Among the big events in a 1,001 highlights:

- B. C. International Trade Fair, May 1-10, a huge show of commerce, industry, transportation and fashions.
- Vancouver's Festival of Arts, July 19-Aug. 16, featuring at least 120 films from 20 nations, a 230-voice festival choir, symphony and opera programs.
- Parade of Sports, including the Grey Cup game on Nov. 29, a $50,000 tournament Aug. 27 - Sept. 1.
- International Naval Review, July 26 - Aug. 1, with ships from 15 countries.
- The Victoria - to - Barkerville stagecoach run re-enacting the drama of the gold rush days.
- Many, many more colorful and spectacular events, big and small, in every one of B. C.'s more than 300 communities.

Appropriately, the slogan is—"1858 — 1958, A Century to Celebrate."

More than 300 cities, towns, villages and unincorporated territories set up their own committees to plan their own functions.

A little character in miner's garb, looking strikingly like "Happy" in Snow White is Centennial Sam, the symbol.

The hundreds of community committees, sub-committees, the maze of councils, boards, groups and bodies have been plugging their pet projects from soon after Premier Bennett proclaimed 1958 as the Centennial Year.

Here, ironically, the first bickering started. Some of the simon-pure historians

Robertson Noble has the big job of chairman, B. C. Trade Fair committee.

claimed that the Centennial should be celebrated in 1866 when the colony of Vancouver Island merged with the colony of B. C., or in 1871 when B. C. entered Confederation.

But 1958 won out, though historically it may not be the correct date.

Tourist surveys have been made—after all, the event has been publicized throughout North America for two years — and they expect three million to visit the province.

Some officials are aghast at this estimate.

"Where will we accommodate them and where will we get the roads to carry them," they ask?

With the majority of the events in June, July and August, the province can expect to see some monumental traffic jams and housing muddles.

Number one visitor will be Princess Margaret who will arrive in mid-July. She'll also be the top tourist draw, and she'll see a lot of the province.

A tentative calendar of all official Centennial events lists hundreds of functions of importance, and new ones are coming in so fast the Queen's Printer is continually revising the official Centennial Book. The list eventually will hit more than 1,000.

Who is paying for all these events? Principally, they are sponsored by city and town and municipal councils, local industries, local fraternal groups and service clubs.

Fund Raising

Many will be of a fund-raising nature to pay for the event itself.

Many are being financed by public subscriptions. Many are being paid for by straight gifts.

Some won't cost a cent. The number of events being staged, large and small, is positively bewildering.

If these are not enough to bewilder the visitor, it is to be remembered that several events which will tour the province will also be sandwiched among the local events.

These include the RCMP Musical Ride which will be in B. C. during the summer, the Holiday Theatre which will present a historical pageant for children at more than 100 places.

The B. C. Centurama — "The Musical Entertainment of Yesterday" — from April 25 to July 30 throughout the province, two historic caravans filled with pioneers' exhibits which will visit 300 cities and towns.

The Vancouver Symphony which will tour the province, the **Canadian National Railways Museum Train** which will spend the summer here, and a host of others too numerous to mention.

By year's end most of the 75,000 pieces which went to make up the 10-ton Centennial Cake will have been eaten.

These pieces will have been packaged and sold by the Nanaimo branch of the Canadian Legion to visitors.

This cake has taken a Nanaimo pastry chef and his assistants more than a year and a half to complete. The recipe was chosen from 375 entries, and was picked because of its mellowing and keeping qualities.

By year's end, the world will know whether the Sasquatch of the Harrison Lake country, 90 miles east of Vancouver, really exist.

The main centennial committee, with tongue obviously in cheek, has posted a $5,000 reward for capture of one of these wild, hairy, apelike men reputed in Indian legend to roam the rugged rock jungles of the area.

Premier Bennett will entertain the premiers the first week of September. Other Commonwealth dignitaries will visit B. C. the following week and Canada's lieutenant governors will be guests in late November.

When it is all over, B. C.'s residents will have seen enough pageants, spectaculars, special events to last them the rest of their days.

Consider Vancouver. Here, about 47% of the province's population lives and works.

From April 27, when the beacon fire is lit, the city will see the historical caravans roll into town. On May 1-10 an International Trade Fair, the first ever held in Western Canada. It will rival any fair on the continent.

Also during May, the B. C. Centurama will play for five days, Chinatown will sponsor a mile-long dragon parade, the largest ever staged on the continent.

Canada's biggest square dancing display will be held.

Jammed List

June, too, is jammed; to list only the highlights, including special centennial programs of B. C.'s Jews, Scandinavians, Serbians, visits of crack English soccer teams plus giant military tattoos and army band exhibitions.

During July, the dizzy pace is kept up and Vancouverites and visitors should be walking about glassy-eyed by this time.

Yachting regattas, many centennial shows by ethnic groups, the arrival of Princess Margaret, an international lawn-bowling contest.

A giant naval review with warships from more than a dozen countries, the famed St. Andrews and Caledonian Games.

The 22-day Annual Vancouver Festival of the Arts which has been in the planning for more than a year — all this and much more.

During August the mad pace continues with outdoor art festivals, a Cavalcade of the Dance, track and field meets, the first $50,000 golf tournament in Canada's history, the North American sailing championships, the North American Babe Ruth Junior League Baseball Tournament.

Vancouver will relax a bit during September and October with the events on a less spectacular scale until the last week of November when the pace will flare up again with Grey Cup Week and the Grey Cup football game.

That will be Vancouver in Centennial Year.

The same story is being repeated throughout the province. Every little hamlet or widening-in-the-road is doing its share.

The most amazing thing about the whole program is the enthusiasm which has been whipped up by it.

Millions of $$

The Centennial will bring millions of extra dollars into the coffers of the big cities.

Vancouver expects $20 million more. Victoria, Nanaimo, New Westminster, the cities of the Okanagan, Kamloops, the North, all will reap a rich harvest.

But the small villages and towns will also receive something material. The Provincial Government is giving 40c per person on the 1956 census, to each community to launch a worthwhile Centennial project.

When the project is completed, an additional 60c is given, making it a $1-per-person contribution.

With these grants, most communities have achieved amazing results.

Most have selected a worthwhile project — a mobile library, a hospital wing, a swimming pool, improvement of a park, a health unit, a little theatre grant, playing fields.

The Federal Government is issuing special stamp and silver dollar. Several new school history books and special editions are being published.

Centennial officers say there will be something for everybody in B. C. in 1958—including the $250,000 restoration, palisades, gun ports and all, of historic Fort Langley on the Fraser River.

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Deas Tunnel Will be Ready Next Year

Seven thousand cars hourly on a 2,100-ft. strip of underwater highway costing $17 million.

This will be possible a year from now when Vancouver's Deas Island Tunnel is completed under the Fraser River.

It will link Lulu Island with the Ladner Trunk Road and the U. S. boundary at Blaine, Wash., eventually tie in with a freeway under construction in Washington.

The project is one of the most ambitious to be tackled by the **B. C. Toll Highways and Bridge Authority.**

Placing the tunnel 60 feet below water requires:

The work of 350 men for 30 months; 100,000 cu. yd. of concrete; 12,000 tons of steel; 2.5 million cu. yd. of excavation and backfill; 200,000 cu. yd. of bank and river protection.

It is the first instance on the North American continent of the construction of a prefabricated underpass containing four lanes in one rectangular cross-sectioned structure of reinforced concrete.

The tunnel is composed of six "elements," each weighing 18,500 tons, measuring 350 ft. long, 78 ft. wide and 23 ft. high.

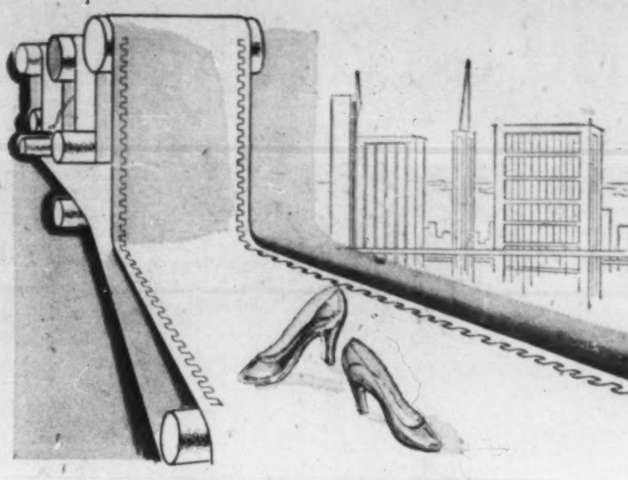
After each element is built it is floated into position on the river by using fitted tanks.

The tanks are gradually filled with water and the element is lowered into a previously prepared bed at the river bottom.

When the elements have been positioned properly, the bulkheads are removed and the sections are joined into a water-tight tunnel.

Building of the drydock some 20 ft. below river level involved some 500,000 cu. yd. of excavation before the six tunnel elements could be constructed.

Project engineers are **Foundation of Canada Engineering Corp. and Christiani & Nielsen of Canada.**



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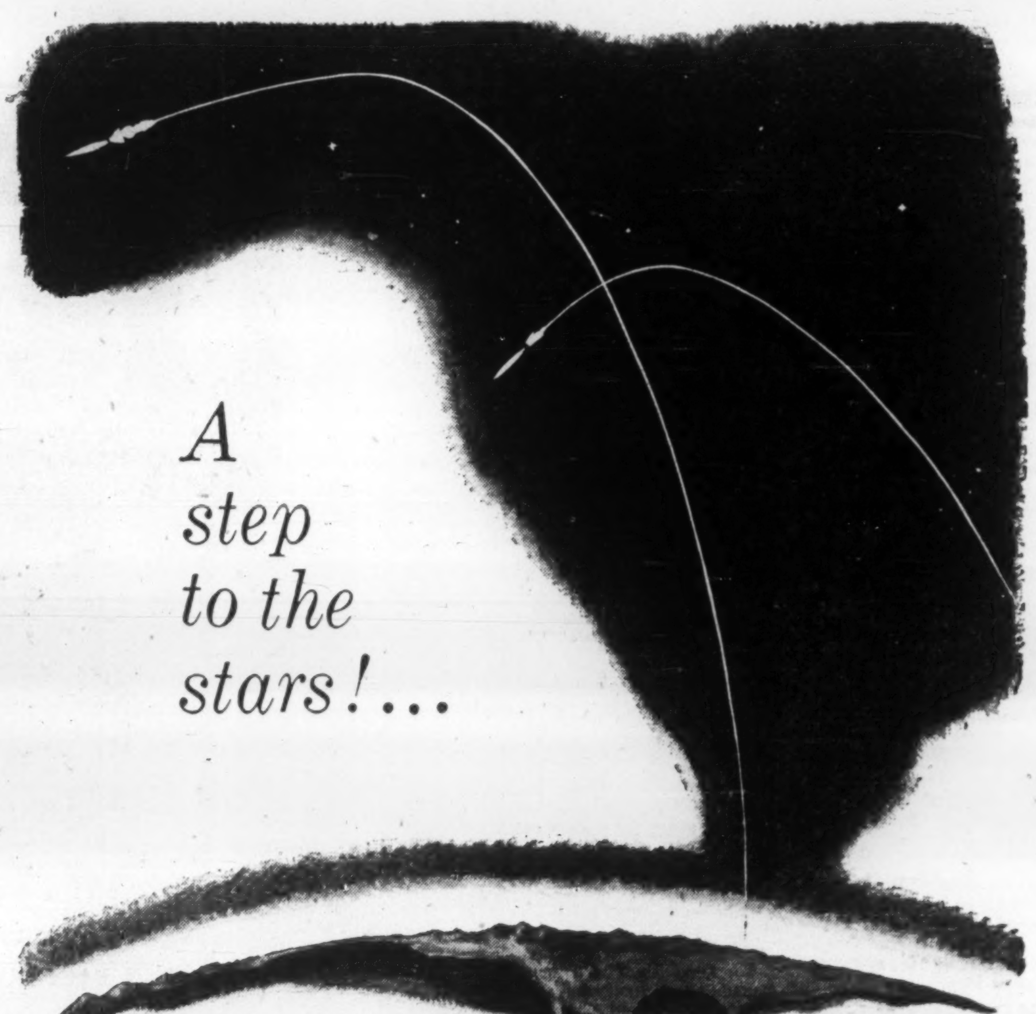

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British Columbia 1858-1958 A Century to Celebrate

Forest Industry

'Markets Are No Longer Local'

Over the past decade the value of British Columbia's lumber production has averaged more than $240 million annually — representing only one important phase of the giant forestry industry which has topped $600 million in recent years.

Sawmilling, B.C.'s leading manufacturing industry, in 1957 again produced nearly 60% of the lumber sawn in Canada.

More than 2,500 sawmills produced an estimated 4.2 billion board feet of lumber, down about 12% from the previous year. Lumber prices dropped 5% to 15%.

During World War II and the decade following, the sawmills enjoyed a spectacular boom that led to vast expansion not only on the coast but throughout the interior as well.

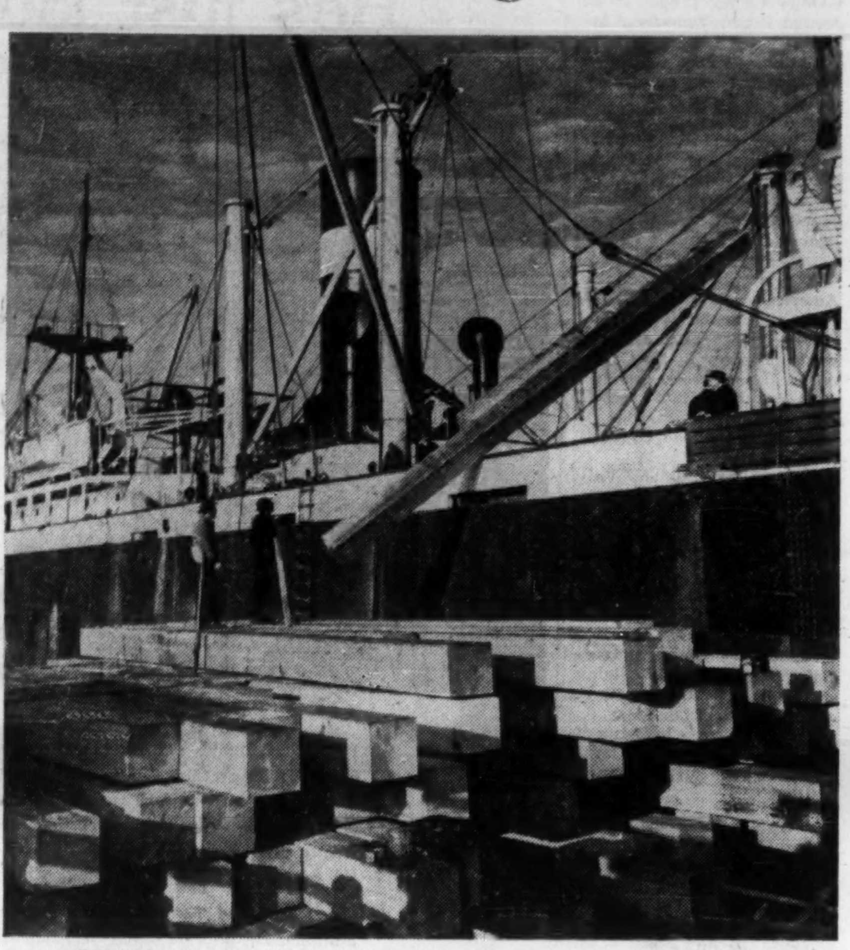
With prices down and markets restricted at the present time, some mills have been forced to shut down or reduce operations.

But lumbermen have been through these setbacks before. They have learned that there will always be a demand for wood and its products; but they have also learned that there is no such thing as a continuous boom.

B. C.'s forest industry — lumber and shingles, plywood and ties, pulp and paper — has always depended on the export business for its prosperity. Domestic demand has never been sufficient to provide a satisfactory market for all the mills' rising production.

In other words, lumber is a world product and B. C.'s output must meet the competition of other wood-producing countries — the U. S., the Baltic countries and Russia — or encounter reverses.

The export trade in lumber was founded on and prospered because of a happy combination of abundant timber and relatively cheap water transportation that was available to the big tidewater mills.



B. C. PRODUCES NEARLY 60% of lumber sawn in Canada. Most of output is exported.

Changing Rates

But as the years passed, other factors have entered the picture. Ocean rates have fluctuated and so have rail rates. Tariffs have been raised in the U. S. and in other markets.

There has been the problem of exchange, especially since the last war, and there has been the rising cost of production, largely accounted for by the increasing wage scales of logging and mill labor.

The latter has provided the industry with its greatest single problem today — the continuing demand for higher pay in the face of lower prices and the competition of other wood-producing countries.

Yet, with all its problems, B. C.'s essential cargo business in lumber has grown. Last year's waterborne shipments were up 9% over 1956.

Even though the U. K. does not buy as much as a few years ago, because of dollar shortage and easier access to continental sources of supply, Britain bought half B. C.'s overseas lumber shipments last year. B. C. continues to regard, with good reason, the U. K. as one of its major markets — the sure barometer of the province's lumber economy.

The whole concept of wood has changed during the past few decades, especially in B. C. A few years ago, even the idea of exporting lumber on a large scale to distant markets was regarded as far-fetched, even though from the early days some lumber cargoes were being shipped to the U. K., Australia and California.

Today, B. C. lumber is a factor in world markets and it must accept the disadvantages of that as well as the advantages.

"All the easy-going and comfortable isolation of the past is gone," says Dr. C. D. Orchard, deputy minister of forests, who has been with the B. C. Forest Service ever since H. R. MacMillan took charge and set up the province's first forestry department in 1912.

"We can no longer afford to wander aimlessly in the fog, simply compiling inventories and putting in sample plots for the sole purpose of having inventories and sample plots.

"Wood, to start with, is no longer just a simple, inert, useful dead tree chunked up into logs. Wood is a natural organic ligno-cellulosic polymer — a true natural plastic, composed of a complex substance that has defied precise chemical definition.

Need Foreign Markets

"Our markets no longer are mainly local. We cannot prosper without our foreign markets.

"Until very recently, B. C. industry and foresters could think only in terms of Douglas fir lumber for export, yellow pine for fruit box shook; hemlock was a 'weed' tree, and Lodgepole pine and poplar still are 'weed' trees.

"Plywood could at first be made only from cottonwood, then fir, and the paper industry couldn't make paper out of anything other than spruce or balsam — or so we thought."

Today, hemlock is a highly preferred species for many purposes, including lumber, pulp, paper and cellulose. It has become, indeed, the mainstay of the pulp industry in this province.

Lodgepole pine is engaging favorable attention and Dr. Orchard believes that poplar will certainly be used in millions of cubic feet annually during the next few years.

In this connection a B. C. plywood manufacturer is now engaged in establishing an extensive plantation of poplar which he expects will be ready to harvest successfully within 30 or 40 years.

In the next 20 years, according to one authority, softwood plywood production will triple, pulpwood requirements will double and papermaking speeds will double, but chemicals, pharmaceuticals, foodstuffs and industrial raw materials will be the principal products of pulp mills.

Automatic Mills

Pulp and paper will, in effect, be by-products. Cows will be fed silage delivered to the farm in edible sacks. And the mills to make all these products will be completely automatic.

Operators active in the industry today may raise their brows at that prospect, but it is no stranger than some of the things that have happened in recent years in the dynamic forest industry.

In recent years B. C. has tried to deal realistically with the maintenance of a continuing supply of wood.

As the industry expanded it became evident that, without some form of management looking to the future, the "inexhaustible" forest would become seriously depleted — certainly in some of the sections where logging had been most intense, such as on Vancouver Island and in the lower mainland.

Rising alarm led the government of the day, about a dozen years ago, to make a thorough survey of the province's wood resources and plan for a program of sustained yield.

This set the stage for the first inquiry to be made by Gordon Sloan, then a member of the B. C. Supreme Court.

His findings and recommendations led to the enactment of legislation that brought about the so-called forest management license system whereby operators could have access to adjacent government - owned forest land as well as their own, providing they would agree to rigorous terms of cut control.

The principle back of this was that no holder of a forest license would cut more than the area involved was actually producing in new forest.

A Framework

This license plan has now been in effect for nearly a decade and, while controversial in many details, it has at least provided the framework for maintaining a forest in perpetuity, while at the same time providing industry with an assurance of continuing supply.

This in turn has encouraged many major companies to spend many millions of dollars on new processing plants, mostly pulp and paper mills, that might have been considered a gamble under the more uncertain "cut and get out" policy that previously prevailed.

The existence of these processing plants has had another beneficial effect by providing a ready market for much of the material formerly wasted in the sawmills.

Because of rising costs many of the sawmills that prospered years ago would have been forced to the wall in recent times if they had not been able to convert their residue into chips for the pulp mills. This so-called "revolution in chips" has been one of the great stabilizing influences in the lumber trade.

While the forest management license did bring stability it also has tended in some instances to play into the hands of the big corporations that were able to provide the investment capital required for the processing plants.

The small operators and independent loggers have not taken kindly to this development, as might have been expected, and during the past few years there has been rising protest from them. Their outcry was largely responsible for the second Sloan inquiry, which terminated only a few months ago.

This second Sloan inquiry faced a much more complex situation than its predecessor. It found that there was an interplay of interests between the small operator and the big, and also bitter rivalry among the big companies, too.

In an effort to provide a continuing means of settling some of these disputes the present Social Credit government appointed Mr. Sloan as a permanent commissioner and adviser at a salary of $50,000 a year.

Appoint Boards

To make it possible to bring the opinion of both public and industry to bear on matters of policy and administration Mr. Sloan, in his second report, advocated appointment of three regional boards whose work would be correlated through an advisory council.

The functional centre of this advisory apparatus would be the chairman, appointed for a sufficiently long period to allow for the promotion and development of a properly objective type of advisory organization.

The government is committed to the principle of forest management. Mr. Sloan's job will be to see that the principle is enforced and that the over-all plan works.

As a result of recommendations made by Mr. Sloan shortly after his appointment as forestry adviser to the government, the cabinet announced some important changes in the general setup of the forest management program.

While the changes will not apply to any of the 23 licenses so far issued by the government, they will affect all future applications which, according to the new plan, will first be submitted for approval to Mr. Sloan before he passes the ones he favors as being acceptable to the cabinet for final endorsement and ratification.

In future, there will be no licenses on forests "in perpetuity," which was the principle on which the earlier licenses were granted. The government will from now on issue "tree farm licenses," subject to re-negotiation every 21 years.

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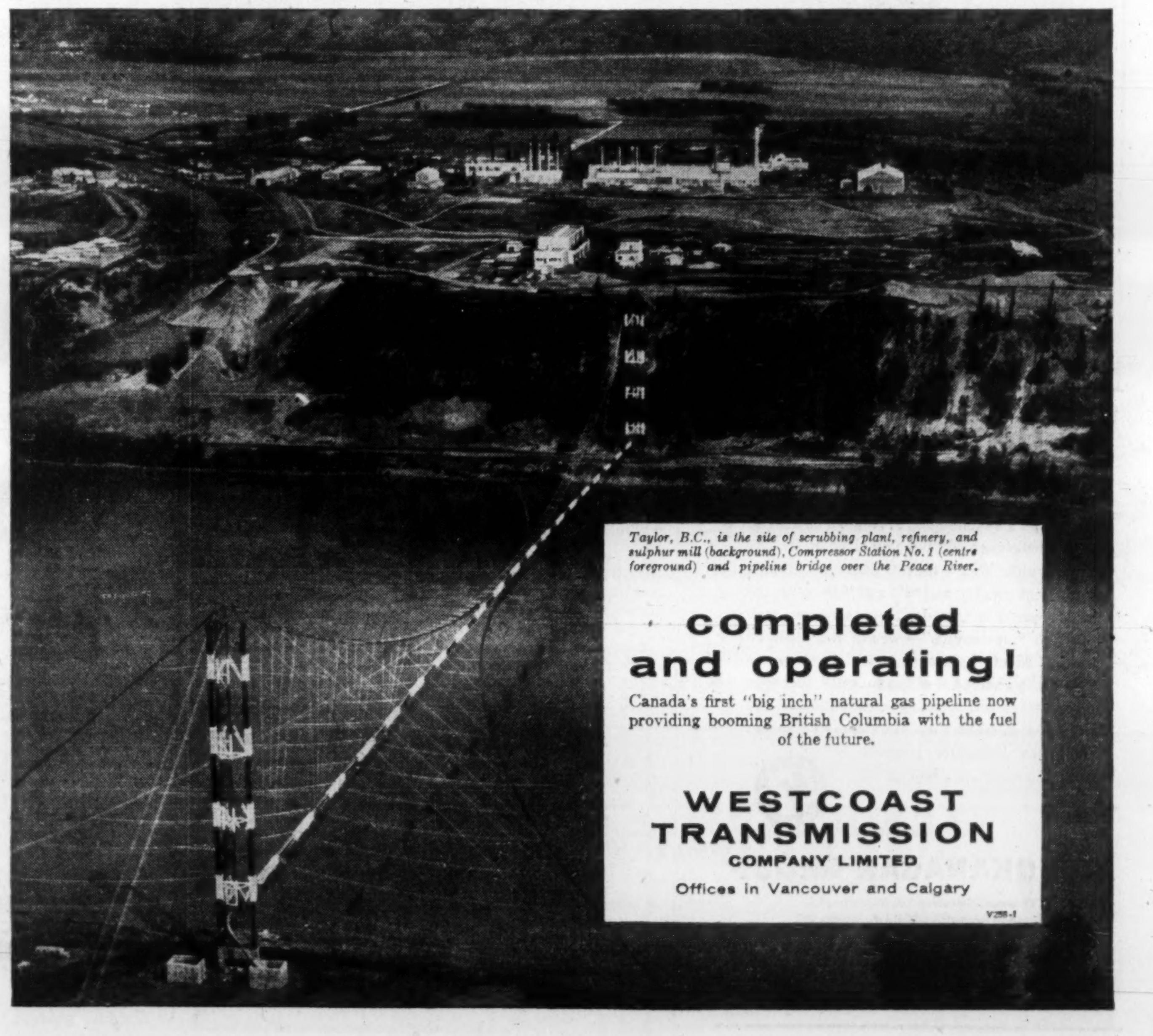


Mining Growth

Hit by World Market Prices

The dominant factors in British Columbia's mining picture are these:

- The slump in world base metal markets which caused a 13% drop in the value of B. C. mineral production and forced a number of producers to close.
- New provincial mining legislation which mining men say has sharply curtailed mine-finding and development work, reduced claim staking by 54%.

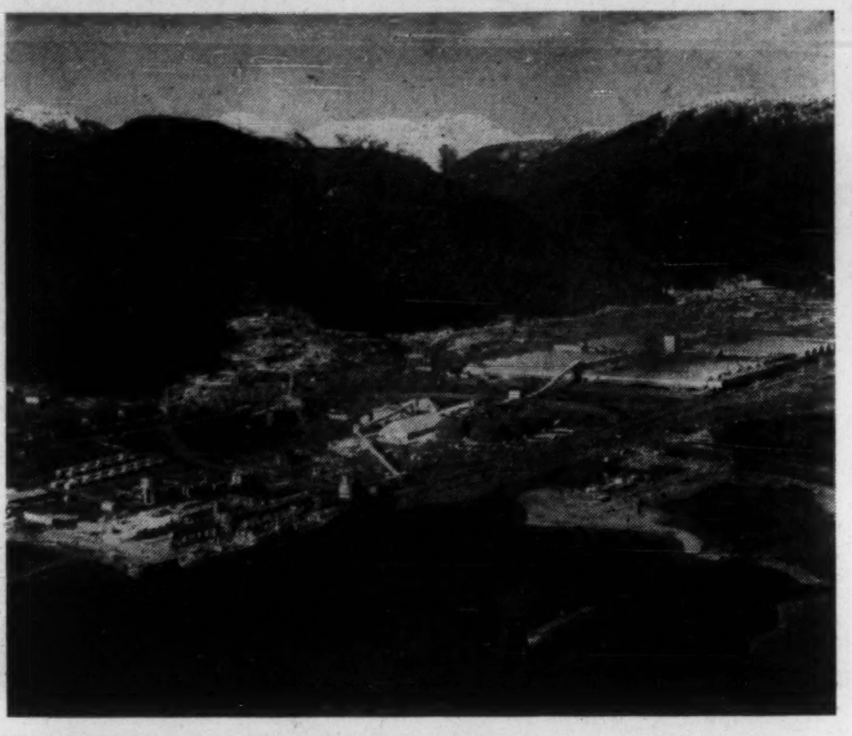
As a result, they say, resources-rich B. C. no longer is the land of opportunity for venture capital seeking mineral wealth.

They explain that two mining laws passed by the B. C. government in 1957 have dried up new mine financing, discouraged exploration, slowed down development of known ore bodies and stopped a budding iron ore industry in its tracks.

One of the mining laws, known as Bill 91, subjected to a leasing system all mining claims not Crown granted.

The bill stipulates that a mine-finder can get only a five-year lease. If ne discovers commercial ore, he is supposed to get a production lease good for up to 21 years.

The chief objection of mining men is that it is discretionary with the government whether the operator's lease is extended. Consequently, the operator has no assurance that he will not lose his investment if he can't get into production within five years.



KITIMAT SMELTER EXPANSION plans awaiting improved metal markets.

Bill 87 is the other law under fire. It provides for taxing ore reserves in the ground. So far it has been applied only to iron ore but it can be applied to any mineral.

The apparent purpose of this bill, mining men say, is to discourage export of iron ore, principally to Japan, and to force establishment of a steel industry in B. C.

But so far it apparently has caused prospective iron ore extractors to shy away.

The tax amounts to roughly 50c a ton on 30% iron ore and $1 on 60% ore.

Says Thomas Elliott, manager of the B. C. & Yukon Chamber of Mines: "Flow of speculative capital from outside B. C. has been reduced and replaced by frustration and apathy among numerous prospectors and exploration people."

Actually, the big bone of contention is that mining leaders were not consulted about the government's new legislation.

The mines department says it has no intention of dropping the new lease system and returning to the old Crown grant system — but hopes for a "reasonable middle ground" between government and industry through eventual creation of a new mineral act.

A Primary Industry

Mining is B. C.'s second most productive primary industry, after forestry. Of the province's total net value of production 8% comes from mining. The industry represents 20% of the total value of primary production.

Since the first discovery of coal on Vancouver Island in 1835, the province has produced some $4 billion in mineral wealth and paid out $629 million in dividends.

Biggest dividend payer has been **Consolidated Mining & Smelting,** Canada's biggest lead and zinc producer, with payments of some $470 million since the company's first dividend in 1906.

In the first 11 months of 1957 the B.C. mining industry paid out $27 million in dividends.

Industry records for 1957 were on the downside:

— Total net value of production was $165 million, $25 million below the previous record year, 1956, and the fifth best year on record.

— The number of prospectors' claims staked dropped from a record 26,000 in 1956 to 12,000 in 1957.

— Miners' certificates were issued to 8,000, a drop of 22%.

Petroleum and natural gas, industrial minerals and structural materials made the most significant gains in 1957.

Rapid Growth

Industrial minerals (including asbestos, gypsum, sulphur) showed a healthy gain to $12.4 million from $10.4 million the year before and $7.7 million in 1955.

Depressed metal markets and the closure of a number of producers knocked down production figures for copper, zinc and lead.

Copper output dropped 33%, from 43.3 million lb. in 1956 to 29.2 million lb. in 1957 valued at $7.6 million, a drop of almost $10 million. Average production of copper since World War II has been 31.4 million lb. annually.

Zinc production last year totaled 439.4 million lb. compared with 443.8 million lb. in 1956. The post-war average: 335.8 million lb. Value last year was $48.1 million, a decrease of more than $10 million.

Lead production last year of 278 million lb. compared with 283 million lb. the previous year. The post-war average: 307.1 million lb. Production was valued at $39.1 million, a decrease of $5.6 million.

Gold Gained

On the other hand gold production showed a gain from $6.7 million in 1956 to $7.2 million in 1957; but still below 1955's $8.5 million.

The dark spots in B. C.'s mining picture in 1957 were closures of **Grandby Consolidated's** Copper Mountain operation, **Woodgreen Copper Mines** at Greenwood, **Mid-West Copper's** Velvet Mine, the **Tulsequah Mines** operation, **Giant Mascot Mines** at Spillimacheen, and the open pit at Consolidated Mining's Sullivan mine. (Underground production at the Sullivan continues at the usual rate.)

Recently, **Britannia Mining & Smelting,** beset by diminishing market prices, suspended its 57-year-old operation at Britannia Beach.

On the bright side were these interesting developments at other metal mines:

Texada Mines Ltd. constructed new loading facilities and resumed production of iron concentrates.

Empire Development Co. equipped **Quatsino Copper-Gold Mines** property for production of iron concentrates and loaded the first shipment for Japan.

Western Nickel Mines expects that production of nickel concentrates from its property near Hope will start early this year.

French Mines Ltd. began milling 35 tons daily at its gold mine property at Hedley.

Cowichan Copper Co. began milling on Vancouver Island. First three years' output of concentrates is to be marketed in Japan.

Low Level Adit

Sunro Mines Ltd. is driving a low level adit for deep exploration of the **Sunloch** and **Gabbro** copper properties at Jordan River, Vancouver Island.

Granduc Mines continued underground exploration of its copper property northwest of Stewart.

Exploration backed chiefly by U. S. mining capital is drawing the outlines of a potentially huge low-grade copper reservoir in the Highland Valley-Kamloops-Merritt region.

A continuing program by **American Smelting & Refining** is setting the pace in this 500-sq.-mile area where grade is below 1% but tonnages are huge. Asarco has done more than 50,000 feet of drilling since 1955 when it optioned **Bethlehem Copper's** property.

Also giving Highland Valley's prospects a lift are programs shaping up by two world mining giants: **Kennecott Copper** and **Phelps Dodge.**

Oil and gas exploration was carried on actively in northeastern B. C., as was the construction of cleaning and refining facilities and building of pipelines to southern B. C. and to the U. S. boundary.

Since 1953 new investment in petroleum refining plants in B. C. has surpassed $85 million.

Six Refineries

Included in this amount is the **B-A Oil Co.'s** new 20,000 b/d refinery at Port Moody scheduled for completion late this year. This plant will bring to six the number of oil refineries in B. C., with four in the Vancouver area, and the others at Kamloops and Dawson Creek.

Petroleum production in B. C. began in mid-1956. By November of last year 16 wells were in production within 40 miles of Fort St. John and all shipping to the **XL Refinery** at Dawson Creek.

At year-end B. C. land under lease or permit for petroleum and natural gas totaled 27.4 million acres.

Mineral Resources Tapped

	1955	1956	1957
	(millions of dollars)		
Gold (placer and lode)	8.5	6.7	7.2
Silver	6.9	7.5	7.0
Copper	16.9	17.2	7.6
Lead	45.1	44.7	39.1
Zinc	52.0	58.3	48.1
Iron and tungsten	8.6	8.5	7.9
By-product metals	4.2	5.7	5.6
Industrial minerals	7.7	10.4	12.4
Structural materials	15.2	20.5	21.4
Coal	8.9	9.3	7.7
Petroleum and natural gas	0.01	0.3	0.9
Combined totals	174.7	190.0	165.0

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BRITISH COLUMBIA PAGEANT

One of the largest unbroken murals in Canada is located in the Granville and Pender Sts. Branch of The Toronto-Dominion Bank in Vancouver. Extending sixty-four feet along the west wall of the office, it constitutes a comprehensive visual picture of British Columbia history.

The principal group of figures on the left consists of Juan de Fuca, Lorenzo Ferrer de Maldono, Spanish Admiral Bartholomew de Fonte and one of the Nootka Indian Chiefs, Maquinna. On the right are James Cook and Captain George Vancouver, standing next to the famous Dog Salmon and Haida pole.

The second section of the mural depicts Sir Alexander MacKenzie and Simon Fraser. The right end of the mural is dedicated to the present time, with the principal figures denoting The Arts, Education, National Defence and Labour. Symbols of the sea and of West-Coast Indian crafts frame the mural at either end.

The Toronto-Dominion Bank extends an invitation to all visitors to view this impressive representation of British Columbia history.

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HYDRO POWER DEVELOPMENTS speeding B. C.'s development. This is B.C. Electric's project at Bridge River.

Hydro Power

Big Expansion Ahead

British Columbia's surest bet for growth is its hydro power potential.

The need is urgent, the undeveloped reserves are huge, the expansion programs under way and planned go beyond 1966.

Consider this statement by Tom Ingledow, vice-president of **B. C. Electric Co.**, to the recent B. C. Natural Resources Conference:

"When power streams and rivers are more fully surveyed, engineered and measured on a reasonable load factor basis, (B. C.'s) total potential may be well in excess of 30 million hp."

This is 30% greater than the generally accepted estimate of B. C.'s power potential.

The impact:

- B. C., with less than 10% of Canada's population, holds 43% of the country's total water potential. B. C. has developed only 10% of its potential. Demand has been increasing at 12% compounded yearly.

Major Company

B. C. Electric is the major power company in the lower mainland region. In the past decade power demands of the area served by the company have increased 300%. In the decade ahead a similar increase is estimated.

Here is the way in which the company plans to tackle the power problem:

Work will start this spring on a $100 million thermal generating plant near Ioco that ultimately will produce 1.2 million hp. First two of six 200,000 hp. units will go into service in 1961.

Three generating plants, totaling 260,000 hp., were brought into service late last year. Largest of these was the 190,000 hp. Cheakamus plant, 65 miles north of Vancouver, costing $22.5 million.

This year, work on a 134,000 hp. gas turbine generating plant at Port Mann will be completed at cost of $13 million.

And in 1959, B. C. Electric's largest hydro project, the $56.5 million second stage development of Bridge River, will add 345,000 hp. to the company's generating capacity.

Needs Grow

As the power-hungry lower mainland area acquires new people and new industries, the power needs are growing proportionately.

Almost all the major hydro sources close to Vancouver have been developed. Yet by 1965, large new blocks of power must become available.

Logical next source would be the power-rich Fraser River, but this stream has one of the world's greatest salmon runs and so far the problem of moving this run past high dams has not been solved.

Another mighty power river, the Columbia, rises in B. C. and flows into the U. S.

Development of this stream would require construction of huge storage dams in B. C. and possibly diversion into the Fraser.

These dams would permit immense new blocks of power to be generated both in Canada and in the U. S.

Canada feels that the additional U. S. power resulting from regulated release of water from Canadian dams should be shared with Canada. Just how this distribution should be worked out has been under discussion between the two countries for some years but there is no immediate sign of an agreement.

By 1960, when B. C. Electric's current hydro construction is completed, the company's system will have a total installed capacity of 1.4 million hp.

This does not include the 134,000 hp. gas turbine plant at Port Mann which will be used for peaking and emergency purposes.

Following completion of the first four units of the Ioco thermal plant, the company's generating capacity will be increased to 2.15 million hp. by 1965.

B. C. Power Commission estimates that by 1970 it will need 1.75 million hp. to serve its customers in addition to its present installed capacity of 440,000 hp. and the 155,000 hp. to be added this year.

In one 10-day period last fall, four new thermal plants were put into operation, including the 100,000 hp. Georgia generating station on Vancouver Island.

The $15 million Georgia station is the first of its kind in B. C. and operates on heavy bunker oil.

Three natural gas fueled diesel stations at Prince George, Dawson Creek and Quesnel started operation. Total horsepower: 43,000.

The addition of these four thermal plants to the Power Commission system came within months of the opening of the 70,000 hp. Ladore Falls hydro development on the Campbell River.

Upstream from Ladore Falls, the $23 million Upper Campbell Lake project is in its final stages of construction.

Total generating capacity of the entire Campbell River system will be 400,000 hp. when completed.

This spring another Vancouver Island hydro project will pass the halfway mark. This is the $10 million Ash River development in the Alberni Valley. By late this year a 35,000 hp. hydro station will be supplying the system.

Surveys are being made of the Homathko River with a view to bringing additional power from Bute Inlet, north of Vancouver. There are several sites on the Homathko - Chilko systems capable of producing approximately one million hp.

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Air Transport

Plans 30% Boost in Traffic

A tremendous surge in expansion during the past year has geared B.C.'s air transport industry for a 30% boost in traffic this year.

This forecast is from G. W. Grant McConachie, president of **Canadian Pacific Airlines.**

He estimates air traffic will be 10% higher than the 20%-per-year average increase during the past decade.

His reason: Larger and faster planes with greater operating range will attract many more first-time passengers.

CPA is bidding for a bigger share of Canada's transcontinental route, in competition with **Trans-Canada Air Lines** on a Vancouver - Montreal route.

Also in the picture: Vancouver-based **Pacific Western Airlines.**

CPA, seventh largest world carrier in terms of unduplicated route miles, has been busy implementing a planned program designed to meet increasing competition for cash customers on the world airways.

Serve All Routes

By mid-1958 CPA will be one of the first carriers in the world to serve all of its international routes with 400-mph, 6,000-mile-range **Bristol** Britannia turbo - prop airliners.

In a two-year, $37.5 million fleet expansion program, the airline will have increased its capacity from four to 21 intercontinental airliners.

The passenger carrying potential will actually be increased by a staggering 700% in view of the greater speed and size of the Britannia.

That means a year ago the airline had a capacity of 240 seats on its 33,000 miles of international routes. This year the figure will be 1,500 seats.

CPA has launched a number of important projects designed to cash in on the superior features of the new equipment.

A $1.4 million hangar, the largest of its kind in Canadian civil aviation, has opened at Vancouver. Built to house the giant Britannias, its 208 ft. by 323 ft. floor area will accommodate two BBs at one time.

CPA, which is spending $20 million on the Britannia program, will have six Britannias operating from Vancouver to five continents by mid-year.

A $1 million flight simulator for giving training to pilots of DC-6Bs soon will be in operation.

The present pilot training program costs the company $60,000 a month in aircraft operating expenses alone. The simulator will reduce this cost by 50%.

Mock Emergency

A feature: By throwing switches, instructors can create more mock emergencies in one hour that a pilot would encounter in a lifetime of scheduled flying, say the **Canadian Aviation Electronics** experts who are installing the 24-ton equipment.

A second simulator is on order for training of Britannia pilots.

PWA President Russell Baker is looking for an early major change in Canada's aviation policy.

In anticipation of this day, he is shopping for larger, faster aircraft to add to his 100-plane fleet.

With headquarters at Vancouver and a major base of operations at Edmonton, PWA has establishments at a dozen points in B.C., Alberta, the Yukon and Arctic.

Last year, to fit its pattern of U.S. - Arctic connections, PWA took over from CPA its Regina-North Battleford-Edmonton service. This forms an important part of the link to Arctic bases which it now serves daily with four-engined aircraft under a long-term contract with the U. S.

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Story of Growth

Some Crucial Questions

By RONALD S. RITCHIE

Ronald S. Ritchie is division manager, B. C. marketing division, Imperial Oil Ltd., Vancouver. His comments on B.C.'s growth were addressed to the 11th annual B. C. Natural Resources Conference.

During the post-war years British Columbia has ridden the crest of a continuing economic boom.

The almost startling growth records which have been set in our most important basic industries have been a direct reaction to the stimulus of huge demands for our raw materials, partly demand from the Prairies and Eastern Canada, but largely demand from the U. S. and overseas markets.

In this period we have seen the net value of forest production almost quadruple, the physical volume of pulp and paper production almost triple, and the net value of mineral production multiply similarly.

We have also seen B. C. become an important source of energy for the outside world — energy from our huge hydro-electric potential being exported in the form of industrial ingots, and energy from natural gas being exported by pipeline.

Expanded production on such a scale would in itself have made B. C. prosperous, but actually we have had not one single boom, but a three-tiered boom.

Superimposed on the production boom has been a huge capital and building boom.

Pulp and newsprint capacity has been created, vast exploration expenditures have been made in the search for metals and petroleum, railroads have been built, highways and bridges constructed, and two huge pipelines completed.

Year after year capital investment in B. C. has taken on an increasingly large and disproportionate share of Canada's total capital investment program.

Materials Demand

The second tier has been a capital construction boom stimulated by the great expansion, present and prospective, in the demand for B. C.'s raw materials, a demand which could only be met if new capacity were created and communications and transportation facilities provided.

The third tier has been the reaction to a substantial population inflow. Lured by the most rapidly growing personal incomes of any province, new residents have come to B. C. both from the rest of Canada and from abroad.

Added to the high birth rate of the war years, the result has been a population growth 50% higher than the national figure.

One of the crucial questions which face B. C. today is whether declining demand or less attractive returns for its raw materials mean the disappearance of all three tiers at once.

In any reasonable perspective, it is difficult not to conclude that B. C. is well endowed both for the near term and the longer future.

One need visualize only reasonable progress in other lands toward a narrowing of the very large gap which now exists in standards of living between them and the U. S. to foresee a multiplication of the demand for raw materials.

Our location next to the U.S. must be considered an advantage in any assessment of the future.

The U. S. is now in many important fields dependent on imports to a substantial degree. This dependence will increase, regardless of any short-term attempts to avoid it.

Strong Competition

However, it is well to remember that B. C.'s resources face strong competition in world markets from other areas which possess rich resources which, like our own, are far from being fully developed. Asia, Africa and South America, not to mention the rest of Canada, and in some fields the U. S. itself, all have vast resources which will compete directly with the forest, mineral and energy resources of this province.

Until some distant future when B. C. can consume directly all it produces, its industry and labor can never insulate itself against the competition of other external sources of raw material supplies.

Once we accept this competition for external markets, we still face the question of the form in which our raw materials may compete.

We must weigh the advantages and possibilities of more local processing and fabrication.

Undoubtedly this would provide the basis for a larger working force and larger population.

But in today's circumstances it would be at the expense of our cherished standard of living.

Unfair as it may seem, most countries, including Canada, have created a schedule of tariffs and customs which discriminate against the import of fabricated and finished articles in favor of the import of semi-processed materials and raw materials.

Accept Situation

We must accept this situation as a fact of life and be prepared to compete accordingly if we wish to take advantage of the resource assets which are the sole foundation of our standard of living.

Equally important, these raw materials must compete outside the province for the capital without which they cannot be developed.

Investor confidence must be based on judgments about relatively long periods, because only on the basis of successful operation over a long run can capital investment in such projects be recovered.

There is no doubt that attractive markets are available and are likely to be available in the future, although these markets may not permit us to develop in the near future the highly industrialized economy which some feel desirable.

One of the penalties of being a prosperous raw material producing area, with a higher standard of living than we could achieve in any other way, is that we must periodically face periods of some stringency.

However, the effects of these periods of decline and some retrenchment should be less painful if we continually remind ourselves that they must be expected from time to time.

They will also be less painful if in periods of growth and expansion we do not overlook the necessity of protecting our competitive efficiency.

Trade Fair Exhibitors

These firms and organizations will be exhibiting at the B. C. International Trade Fair, May 1-10, at Vancouver:

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- VICKERS-ARMSTRONG (TRACTORS) CANADA LTD. — Montreal
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HELICOPTERS ARE WRITING one of B. C.'s biggest success stories.

An Air Freight Success Story

One of the big success stories on the West Coast is **Okanagan Helicopters Ltd.**, which has gained immensely from the need for aircraft that can land freight and supplies in snow-covered and mountainous country.

World's Biggest

The Okanagan group, with subsidiaries in Ontario and Newfoundland, claims to have the largest helicopter fleet in the world.

It expects to have 54 helicopters — 10 more than last year — operating in its far-flung network this year. Its staff of 160 will be increased by 20.

The company was founded in 1947 by Carl Agar, now vice-president of research and training, on an investment of $37,000. The company's net worth today: $1.6 million.

Flying time of the 'copter fleet in 1957 was 22,000 hours, up 38% on 1956.

The entire fleet is committed most of this year on contracts that include pipeline, power and radar lines, mineral surveys and freight hauling.

To cope with mounting demands, the firm has gone into leasing equipment.

Explains President G. W. McPherson: "We are consolidating after a period of rapid expansion. But we'll be buying again in 1959."

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B.C.'s Natural Gas Market Potential Tremendous

Natural gas for heating and power has become British Columbia's fastest growing industry. The impact and indications of market potential are staggering.

Consider these trends and plans for future expansion: simultaneously with the offi-

- **B.C. Electric Co.,** which distributes gas to the populous lower mainland including Vancouver, reports that 30% of homes in many communities served with natural gas for the first time in the past 18 months have switched to gas.

- In Vancouver, sales of gas appliances have boomed over 300% in two years; in B.C., as a whole, 700%.

- B.C. Electric plans a 1.2 million hp thermal generating plant which will use up to 144 million cu. ft. daily when completed in 1966.

The first two of six units will be operating in 1961. Another thermal plant to go into operation later this year will use 44 million cu. ft. gas daily.

- **Westcoast Transmission Co.,** builder of Canada's first major gas pipeline, is now delivering 300 million cu. ft. daily to B.C. and U.S. markets through its 30-in. line (ultimate capacity: 660 million cu. ft. daily) from the Peace River district.

It is spending $25 million this year expanding its system.

- Two companies, Westcoast and **Alberta & Southern Gas Co.,** are competing for permission to build a pipeline from Alberta's Savanna Creek and East Calgary fields through southeastern B.C. to the U.S.-Canadian border at Idaho where it would be picked up by U.S. gas companies.

Westcoast's proposed 30-in. line would have an initial capacity of 170 million cu. ft. (ultimate: 660 million cu. ft.) and serve southeastern B.C. centres, including Fernie, Kimberley, Cranbrook and Creston, then link with **Pacific Northwest Pipeline Corp.** at Kingsgate.

Export to U. S.

Alberta & Southern Gas is seeking to export 400 million cu. ft. along a 1,330-mile route to the San Francisco area.

At present, Westcoast is busy tying newly developed Peace River district fields into its gathering system.

This year's schedule calls for completion of another 81 miles of pipeline in B. C., ranging from eight to 20 in. in diameter, and expanding scrubbing plant facilities at Taylor, near Fort St. John.

Westcoast gas is distributed in B. C. by **Inland Natural Gas Co.** and B. C. Electric.

Through a wholly owned subsidiary, **Westcoast Production Co.,** Westcoast Transmission last year became a producer and developer as well as a pipeline operator.

Westcoast Production acquired the assets of **Peace River Natural Gas Co.** and now holds interests in more than 2.3 million acres of potential oil and gas lands in B. C.

B. C. Electric had peak day sales of 36 million cu. ft. this winter. The company's gas division estimates that peak day sales will soar 300% by 1962.

At year-end 1957 B. C. Electric was serving 24,000 residential heating accounts, compared with only 3,000 at the beginning of 1956 when it was serving customers with manufactured gas.

Natural gas began flowing in November, 1956, from an interim supply provided by Pacific Northwest from its pipeline at Huntingdon on the U. S. border. With the completion of the Westcoast Transmission line last fall, Peace River gas replaced the U. S. supply.

B. C. Electric received gas distribution franchises in 14 Fraser Valley communities last year. Capacity of its system is 130 million cu. ft. daily.

At year-end the company had installed 1,400 miles of mains on the mainland and 150 miles on Vancouver Island.

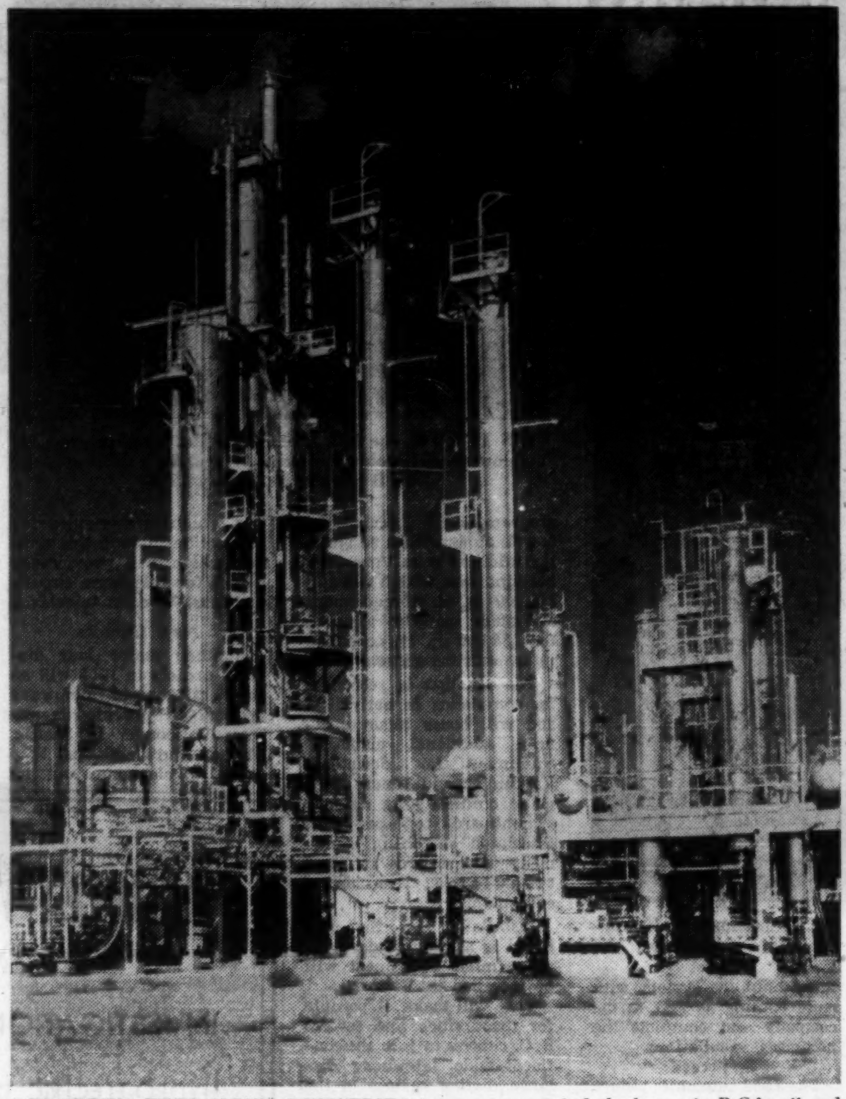
Many Points

In addition to serving metropolitan Vancouver, the B. C. Electric transmission line through the Fraser Valley is tapped at various points to serve Matsqui, Sumas, Abbotsford, Clearbrook, Aldergrove, Langley, Whiterock, Crescent, Cloverdale, Newton and Whalley.

Fraser Valley points east of Huntingdon as far as Hope receive gas from B. C. Electric distribution systems tapped directly off the Westcoast line.

Service to the north shore of the Fraser River commenced when a submarine crossing of the river from Fort Langley to Albion was completed last fall.

In addition to mains steadily being installed in metropolitan Vancouver to connect new residential, commercial and industrial customers, more than one million feet of pipeline was placed underground in 1957 to bring natural gas to Fraser Valley communities.



THROBBING PETROLEUM REFINERIES have accompanied the boom in B.C.'s oil and gas industry.

Under the terms of a contract with Westcoast, B. C. Electric can take up to 57.5 million cu. ft. of gas daily.

This available volume will be increased as further development takes place in the Peace River fields and compressor capacity is added to Westcoast's pipeline.

Although the B. C. lower mainland is now drawing its natural gas from the Peace River fields, supply is still available from the U. S. Pacific Northwest pipeline in the event of an interruption in Westcoast's pipeline.

In such an emergency direction of flow in the U. S. line would be reversed to ensure continuity of supply for B. C. Electric's customers.

Further insurance against interruptions is provided by three propane plants and an oil-gas plant maintained by B. C. Electric with a reserve capacity of about 18 million cu. ft. daily.

Nominal Use

Normally these reserve plants will be used only a few days a year for peak shaving.

Inland Natural Gas began construction of its 360 miles of transmission line and distribution systems in February, 1957, and completed the project in time to turn on gas simultaneously with the official turn-on of the Westcoast in October.

Communities in interior B. C. are served by short laterals from the Westcoast line as far south as 100 Mile House, while just west of Kamloops the Inland main line branches off and serves the Okanagan and Kootenay districts, a distance of 300 miles.

Twenty-seven communities are now on gas. Principal cities being Kamloops, Vernon, Kelowna, Penticton, Nelson and Trail.

Sales of gas and applications for natural gas service are paralleling engineering and economic surveys made of the Inland territory prior to construction and there is considerable conversion of industry going on.

Principal users are mills and canneries in the fruitgrowing areas of the Okanagan.

Commercial establishments, schools, public buildings, hotels, motels, and other multiple dwellings are also finding an economy in conversion to natural gas.

Close to 90% of domestic installations include a heating system and the sale of natural gas appliances has put new life into retail trade in the Inland territory.

Currently under construction is an $85,000 office and maintenance building in Penticton.

"Gas Conditioned"

This building will be equipped with natural gas air-conditioning, the first installation of this type in interior B. C. and one of the few in B. C.

One of the largest users of natural gas in interior B. C. is the **B. C. Power Commission** which manufactures electricity at several plants using gas in the diesel generating systems.

This has cut the cost of generating electricity considerably at Prince George where the power consumption has jumped to new highs.

The emergence of the gas and oil industry as an important factor in B. C.'s economy is shown in these figures from the B. C. Government.

Gas production in the province in 1957 totaled 8.3 billion cu. ft., nearly 19 times the previous year's output. Oil production increased 129% to 341,000 bbls.

Shipping Outlook

Needs New Equipment

What's the outlook for British Columbia's coastwise shipping industry?

This answer from J. A. Lindsay, president of Vancouver Tug Boat Co., to the B. C. Natural Resources Conference:

"If water transportation is to continue to serve the future development of our natural resources adequately, greater consideration must be given to newer types of equipment."

B. C.'s coastline, including Vancouver Island, the Queen Charlotte Islands and its numerous inlets, measures 9,800 miles.

In 1957 the coastwise fleet consisted of 16 passenger ships, 16 freighters, nine oil tankers, 364 tug boats and 512 barges and scows.

Tugboats gave employment to 3,200 who received $14 million in wages; other coastal vessels employed 2,100 who were paid $7 million.

Figures for 1956 show that the coastal fleet moved cargo totaling more than nine million tons, and 4.4 billion board feet of lumber and logs.

Trends in Industry

The trends in the industry, according to Mr. Lindsay:

Operation of vessels is no exception to the rising costs of operation affecting all industries.

Much improvement must be made in equipment to haul larger pay loads at greater speed, more economical methods of handling cargo, and more efficient power units.

Handling general cargo in containers is proving economical in certain services, and will be developed further.

Self-propelled vessels with self-loading and unloading mechanical equipment are receiving much consideration as well as specially designed equipment for individual services.

Bulk handling facilities for transfer of cargo from rail to water carriers must be installed to minimize cost of handling and turn-around time of vessels, both of which would be reflected in shipping costs.

To Move 70%

Union Steamships Ltd. reports that eventually it expects to move nearly 70% of all its freight in sealed plywood containers, designed to handle up to two tons of cargo.

The company now is using more than 500 containers, soon expects to branch into refrigerated containers for handling frozen foods, ice cream and other items now requiring dry ice.

The containers — largest of which measures six ft. by four ft. by six ft. — are constructed of prefabricated steel angle iron frames to which plywood panels are bolted to form the various sides.

Advantages: Faster services and reduction in pilferage and breakage.

Shipping Fleet

This is B. C.'s coastwise shipping fleet which employs 5,400 and pays out $21 million in wages:

Passenger ships	16	Gross tonnage 52,284
Freighters	16	" " 12,062
Oil tankers	9	" " 6,945
Tug boats	364	Up to 2,300 B.H.P.
Barges and scows:		
Covered dry cargo barges	34	Up to 2,000 tons
Refrigerator barge ..	1	
Car barges	22	
Boxed chip barges ...	132	Up to 1,200 tons
Self-dumping log barges	11	Up to 6,000 tons
Bulk cement carriers .	6	Up to 1,200 tons
Ore carriers	10	Up to 2,500 tons
Oil barges	16	
General cargo barges .	280	

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Since its inception in 1945, the British Columbia Power Commission has had but one objective — to help British Columbians live better electrically!

To reach this goal, the Commission was met with the challenge of keeping pace with the phenomenal growth and development in a booming British Columbia!

Generating facilities were developed—and expanded . . . transmission lines were built—and extended, so that the new and existing industry and homes in the area served could have electrical service second-to-none . . . at the lowest possible cost.

It has been a successful task! Today, serving 75,000 families in more than 200 communities, the Power Commission undoubtedly stands as a young giant in Canada's Pacific Coast Province—with 12 vigorous years of electrical progress under its belt, and a keen eye towards expansion in the future!

B.C. POWER COMMISSION

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B. C. Telephone

Plans $50 Million Expansion

Indicative of the widespread faith in the future growth of the province, **B. C. Telephone Co.**, Canada's second largest telephone company, plans to spend a record $50 million this year on expansion and improvement.

This compares with $40.8 million spent last year.

Here's why there is to be no letup in spending:

Company surveys indicate that B. C. will need 709,000 telephones in 1965, 884,000 in 1970 and more than one million in 1975.

Ten years ago, in 1948, B. C. Telephone made a net telephone increase of 15,000.

This growth rate increased to more than 21,000 in 1952, and set an all-time record of 41,000 in 1956.

The increase in 1957 totaled 40,000. A similar increase is expected this year.

The net gain for the 10-year period is even more impressive when the activity behind this figure is considered.

Of the present total of more than 450,000 telephones, more than 250,000 were added since 1948, representing total connections of nearly 725,000 instruments and disconnections of 475,000.

TWO-MILE-LONG aerial tramway that rises 4,500 ft. solves B.C. Telephone Co.'s problem of reaching its microwave station on rugged Dog Mountain near Hope.

Plant Growth

And this growth is a sharp reflection of the dollars poured into telephone plant over the same period.

Investment in plant and equipment passed the $50 million mark in 1948, hit approximately $77.4 million at the end of 1952 and had almost doubled — to over $141 million — by the end of 1956.

At the end of 1957 total investment in plant and equipment stood at nearly $177 million.

B. C. Telephone moved into 1958 with plans for record additions to its facilities, but with lower relative earnings because of a continuing increase in costs of operation.

In 1957, revenues were up, but so were expenses. The former amounted to just over $41 million, 11% more than in 1956, but expenses, amounting to approximately $34.5 million, were up 12% over the previous year.

More calls were handled, both local and long distance, than ever before.

The largest amount of new capital in any one year was invested in the organization, and there were more people employed in the business, depsite an increase in mechanization.

Average daily connections for local calls, which were just over the one million mark 10 years ago, soared to more than 2.7 million, while long distance volume rose to almost 45,000 daily.

Number of employees increased from 3,856 in 1948 to 7,130, and total payroll was almost triple the $7.2 million a decade ago.

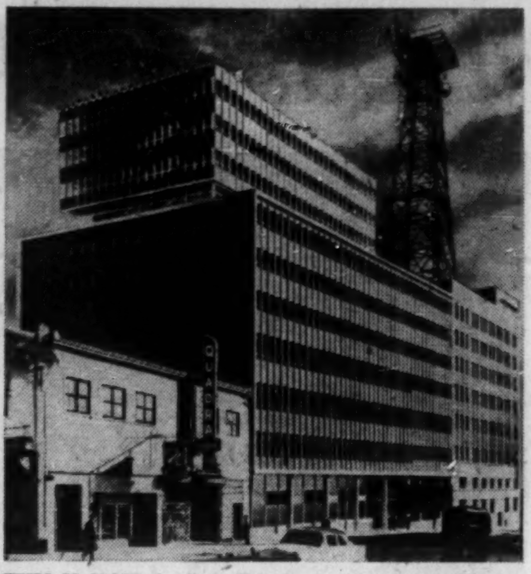
The program of converting from manual to automatic continued.

At the end of 1957 there were more than 300,000 dial telephones in service throughout the system, with more coming as fast as the company can complete the necessary installations.

A Record

The 1958 automatic picture is even brighter — a record, in fact — with nine conversions, the opening of three dial installations in areas large enough to warrant local exchange service, and substantial additions to existing systems.

Buildings, as always, continue to be an integral part of any telephone expansion program, and B. C. Telephone is well along with a $4.5 million addition to its Vancouver headquarters, which will add 176,000 sq. ft. of equipment and office space to augment the 180,000 sq. ft. contained in the existing structure.



THIS IS HOW the B.C. Telephone Co. headquarters in Vancouver will look when the 12-story, $4.5 million addition is completed in early 1959.

The addition is scheduled for completion in early 1959 and will house business offices, additional automatic equipment for downtown Vancouver, and a new automatic cordless long distance switchboard, together with associated switching equipment and microwave and television transmission equipment.

Installation of the new board is already under way, and similar equipment will be installed in Victoria.

This will make it possible for these cities and several B. C. centres to join the continent-wide telephone distance dialing system in the spring of 1959.

Long distance facilities were greatly expanded during 1957 through the addition of additional carrier equipment on most major routes.

Major project in this phase of B. C. Telephone's expansion program has been its section of the Canada-wide microwave radio relay system which is scheduled for completion in June this year, and which will provide facilities for telephone circuits and coast-to-coast television.

New Circuits

Another major long distance project in 1958 will be the installation of microwave systems to provide circuits from Vancouver to Seattle, Victoria and Kamloops.

B. C. Telephone and its associate, **North-West Telephone Co.**, have continued the expansion of B. C.'s radiotelephone network.

Radiotelephony has made great strides in the 27 years of its existence in B. C., with a system now serving more than 3,000 vessels, nearly 500 land stations and over 300 vehicles, utilizing both medium and very high frequencies.

Radiotelephone also is in use on several major long distance routes in B. C.

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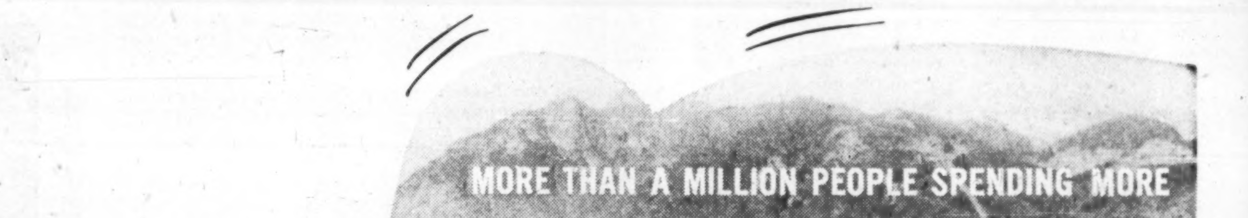

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Cement Industry

Well Prepared to Meet Demand

British Columbia's cement industry is well prepared for the next big burst of expansion in the province.

It can now meet demands up to five million bbl. (or 20 million bags) cement annually.

Into production this year went the $16 million operation of **Lafarge Cement of North America Ltd.** on Vancouver's Lulu Island. Capacity: 1.5 million bbl.

The firm started at an initial rate of 800,000 bbl., expects to produce one million bbl. this year.

It took a work force of 500 more than a year to build the plant.

The company has poured $12.5 million into plant construction, $2 million into development of limestone quarries on Texada Island, $500,000 into clay quarries at Matsqui, and $1 million into financing and engineering.

Employment will be about 120.

The big west coast producer is **B. C. Cement Co. (1957)** with capacity of 3.5 million bbl.

Last year, **Ocean Cement & Supplies Ltd.** was formed as a holding company for B.C. Cement and **Evans Coleman & Gilley Bros. Ltd.**

"Evans" supplies the major portion of the ready mixed concrete and sand and gravel used in southwestern B. C. and approximately 75% of all concrete blocks, bricks and allied materials used by the masonry trade.

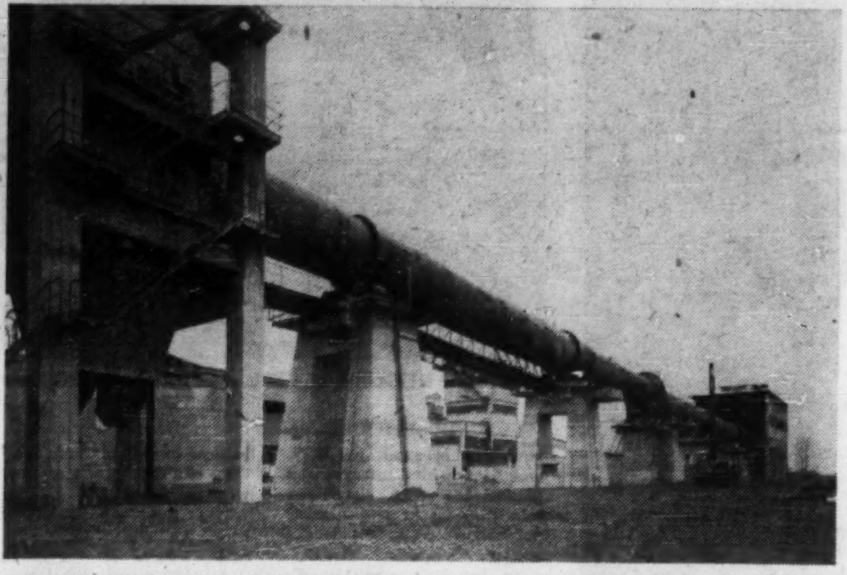
It also supplies a substantial part of materials used by the lath and plastering trade, and building materials used by general contractors.

90% of Market

Until Lafarge's entry into the field, B. C. Cement has supplied some 90% of the province's market from its cement manufacturing operation at Bamberton, 20 miles north of Victoria.

It has marketed its products through a network of more than 40 dealers. Result of the "Evans" merger, six new waterfront distribution centres became available to the company.

Lafarge's limestone quarry at Texada Island has 200 years' supply of limestone for the manufacture of cement as well as requirements for the pulp and paper industry and smelters in B. C., western Canada and northwestern U. S.



BRITISH COLUMBIA'S CEMENT-MAKING capacity has been boosted 43% with the start of Lafarge Cement's $16 million operation.

This is how the Lafarge enterprise operates:

Quarrying at Texada is carried out by huge drilling and shoveling equipment. Euclid trucks, with 22-ton load capacity, haul the rock directly to the crushing equipment.

Three crushers and a system of vibrating screen are capable of producing 500 tons hourly at a setting of minus ½ inch for cement rock.

A 1,600-ft. conveyor system carries the limestone through the crushing installation to a stock pile, from there to a specially built wharf where barges are loaded 1,000 tons hourly.

Specially designed for Lafarge, the self-loading barge has capacity of 3,000 - 3,500 tons, and is operated by the **Straits Towing Co.**, Vancouver.

Lafarge's clay quarry at Matsqui, 25 miles from Vancouver on the banks of the Fraser River, has 150 years' supply for future production and expansion.

Fifty Tons An Hour

A four-cubic-yard dragline mines the clay. The dragline pushes the clay into a 30-ft. wash mill, driven by a 200-hp. motor, where it is mixed with water. The wash mill produces slurry at the rate of 50 tons per hour of dry material.

The liquid clay is then pumped aboard barges at a wharf adjacent to the quarry for transport by clay tanker or barge to the Lulu Island plant. The 1,200 tons of clay slurry can be pumped out in eight hours.

With a deep sea wharf equipped to sustain a heavy-duty gantry crane, the limestone rock is unloaded at approx. 500 tons per hour.

A 36-in. by 600-ft. inclined belt conveyor (in a completely enclosed gallery) conveys and elevates the crushed limestone to the storage hall. Another belt conveyor runs along a gallery atop the storage hall and discharges the limestone into it.

It then is pumped to the clay slurry basin at the rate of 150 tons per hour. The basin, 80 ft. in diameter, has a capacity of 4,500 tons of clay slurry.

The storage hall, 330 ft. by 100 ft., is divided into compartments for storage of limestone, gypsum and clinker. Storage facilities can handle 45,000 tons.

A large overhead crane bridge with a grab bucket running the full length of the storage hall handles materials required for the hopper mixing bins. This crane has a 10-ton lifting capacity.

The hopper bins built into the storage hall feed the limestone rock into the raw mill and the clinker and gypsum into the clinker ball mill. Four hopper bins for each ball mill allow all required mixings and make easy the production of different types of cement.

Burning at high temperature of a homogenous blending of limestone and clay gives clinker. To regulate the setting, gypsum is added to the clinker, and both are ground to fine powder in the clinker grinding mill to obtain cement.

The correct portion of clay slurry is added from the slurry storage basin adjacent to the storage hall. Water is added and the mixed limestone rock and clay slurry is ground into the mill, a huge revolving cylinder containing steel balls.

The mixture is reduced by the grinding action to a very fine slurry.

Slurry in the blending tanks is continually blended and maintained homogenous by means of agitators and compressed air. Final blending of slurry is accomplished in these tanks by means of two special pumps.

A fully equipped laboratory is adjacent to the blending basins. The slurries produced are carefully analyzed.

Two Pumps

A set of two slurry pumps (one as a standby) sends the slurry from the storage tank to the ferris wheel-type kiln slurry feeder. The oil-fired kiln is 426 ft. long and 13 ft. in diameter.

The slurry flows down the kiln where it is dried and calcinated at a temperature of 3,000 deg. into a combination of oxides. At the firing end of the kiln the calcinated material is discharged in the form of clinker (dark grey lumps the size of walnuts) into a clinker cooler. From the discharge end of the cooler the clinker is conveyed to the storage hall.

From the storage hall clinker and gypsum are fed to separate hopper bins and then to the cement mill where they are ground.

Uniformity in the reduction of particles and fineness of cement is made possible by close circuiting the mill with an air separator which constantly sorts out the coarse materials for regrinding.

This method of operation guarantees the regularity and quality of cement.

In the grinding circuit, dust is collected through a large system of filter bags which ensures thorough cleaning. Dust collected returns to the air separator.

The finished cement is tested in the laboratory to ASTM specifications.

Cement is stored in eight 24-ft. diameter silos with capacity of 1,000 tons each. The silos are connected by air-slides and bucket elevators to the packing house where modern facilities for packing and shipping are installed.

Cement can be sacked and loaded to either rail cars, trucks or barges, at these simultaneous rates: 600 bbl. per hour bulk cement on barges, 900 bbl. per hour bags cement on cars, trucks or barges.

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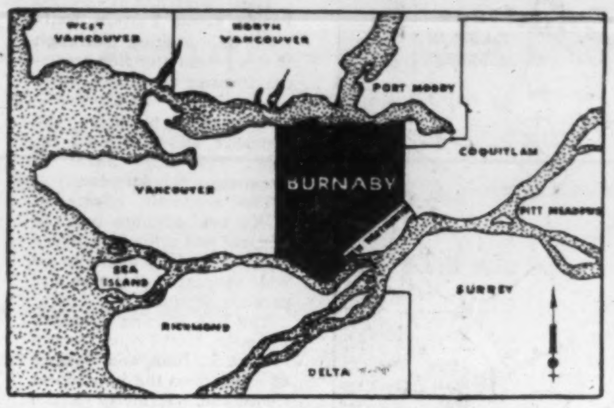

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- Trans Mountain Oil Pipe Line Co.
- McColl Frontenac Oil Co.—tank farm
- British American Oil Co.—tank farm
- Dominion Bridge Co.
- Canada Safeway
- Lenkurt Electric
- Canadian Kenworth Limited
- Imperial Oil Distribution Centre
- Spear & Jackson (B.C.) Ltd.
- McMillan-Bloedel Limited
- Continental Can Co.
- Ford Motor Co.
- Nichols Chemical Co.
- Timber Preservers Ltd.
- Simpson-Sears Department, Mail Order House
- Dominion Glass Co.
- Sidney Roofing & Paper Company
- Industrial Engineering Company
- B.C. Electric Gas Division
- Royalite Distribution Centre
- Kelly Douglas Wholesale
- Link-Belt Limited

BURNABY is growing—population 1946—40,000
population 1957—88,000

BURNABY is becoming the industrial empire of the British Columbia Coast.

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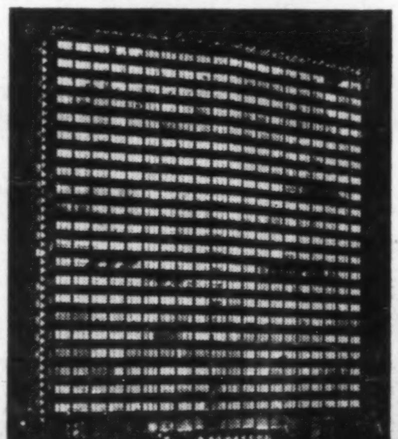
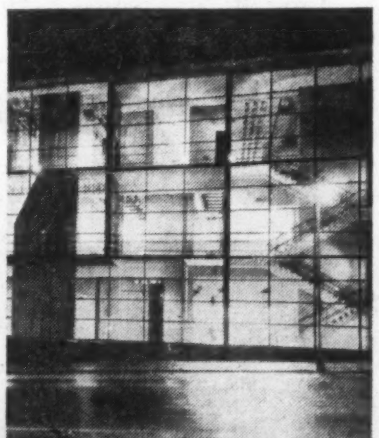
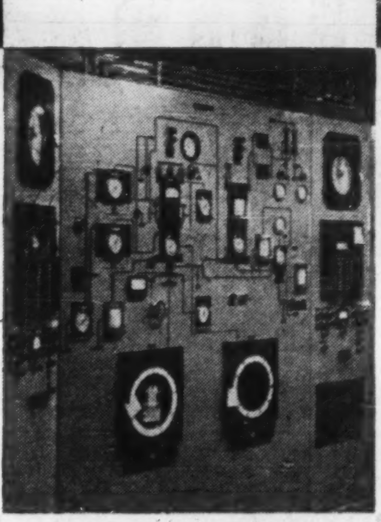
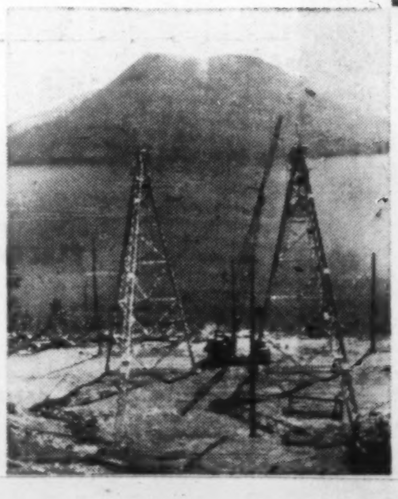


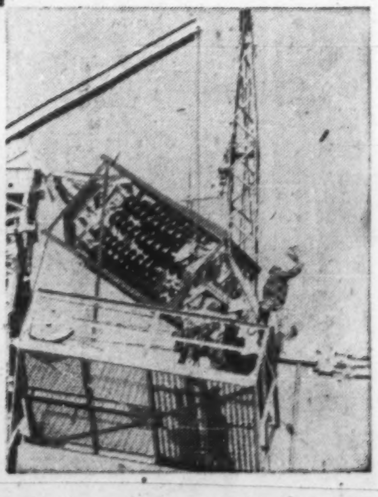
MORE POWER TO THE WEST







40TH YEAR



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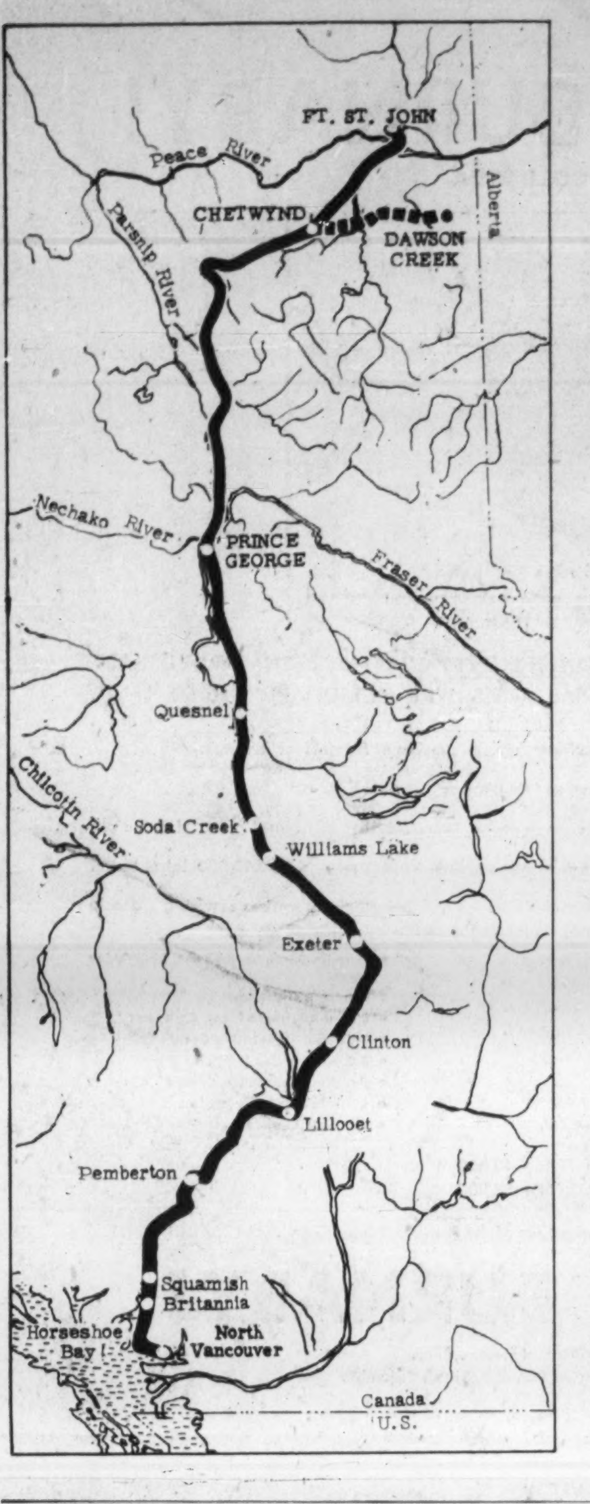
WESTERN CANADA'S LEADING ELECTRICAL CONTRACTORS

PGE No Joke

Opening Up the North



The government-owned **Pacific Great Eastern Railway** is pushing through B. C.'s potentially rich northern frontier up to two miles a day.

It expects to drive the climactic spike at Fort St. John, 729 miles north of Vancouver, this summer.

The economic effects of PGE's bold advance into the mineral and grain rich Peace River country promise to be wide ranging in this area and perhaps beyond.

The line is being extended 259 miles from Prince George to Fort St. John, and another 65 miles from the junction at Chetwynd (formerly Little Prairie) to Dawson Creek.

The direct line to Vancouver will cut 526 miles from the present 1,225-mile route via Edmonton.

Most likely next goal for the frontier breakers: The Yukon and Alaska.

As of today, the northeastern section of B. C. and its growing industries lean economically to the east.

Much of the area's production heads into consumer markets over the **Northern Alberta Railway** which runs southeast into Edmonton and connects there with the transcontinental **Canadian National Railways.**

By Truck

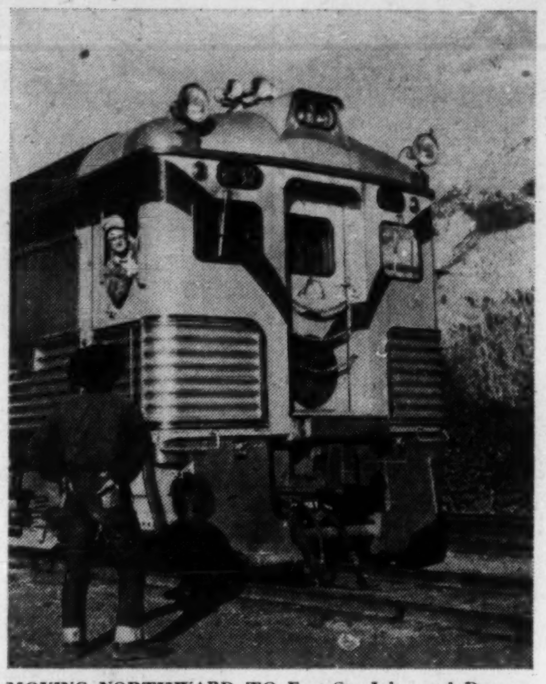
Some of the output, grain and lumber mostly, has been shipped out by truck, either east through Alberta or south through B. C.

But until now there has been no direct rail outlet to Vancouver and other West Coast markets.

The PGE's push into northeastern B. C. is expected to pare shipping costs into and out of the area and thus speed development.

It's expected that freight rates on barley and wheat shipments to the west coast from the northeastern area will skid about 20% because the PGE will offer a much shorter shipping route.

It will only need completion of the **Wenner-Gren**



MOVING NORTHWARD TO Fort St. John and Dawson Creek, the PGE Railway is near completion of its link with the Peace River district.

B. C. Development Co.'s proposed 400-mile monorail from Fort McLeod to the Yukon border for the PGE to become a backbone of major development.

The Peace River district has become the scene of a mushroom development for the oil and gas industry.

The railway line runs through fine timber country and huge reserves of semi-anthracite coal, hitherto untapped.

In the Peace River district alone there are 283,000 acres of arable land and nearly as much again of limited arable land.

A tremendous amount of grain is delivered every year at Dawson Creek. The potential freight traffic from agriculture is estimated at 223,000 tons annually.

The timber of the central and northern interior represents an additional freight potential of 338,000 tons a year.

Some 24 million acres of mature timber are close to the PGE line. Coal reserves are estimated at close to one billion tons. Asbestos, silver and copper are also known to be present.

The railroad's drive into this frontier country is spurring renewed interest in another rail project. It's the long-talked-of railway to the Yukon and Alaska.

The U.S. Congress has been studying the economic and military aspects of building additional highway and rail routes between Alaska and the continental U.S.

The 1,671 mile Alcan Highway now is the chief

THROUGH RUGGED, BITTER cold terrain the PGE Railway line to Peace River forges ahead.

land link between the U. S. and Alaska; air transport has played the more significant role thus far in the interior northland's economic development.

At this stage the Yukon-Alaska railway is still a long way from reality. Although there's a good deal of discussion about it, there's no clear idea of just how, where or when such a road should be built.

One possibility being examined: Wenner-Gren's proposed 400-mile monorail that would hook up with the present PGE track and go up the "trench" between the Rockies and the coast mountains to the northern B. C. border. That would leave a gap of some 600 miles across the Yukon to Fairbanks.

The Wenner-Gren plans are closely tied in with the PGE, which passes through For McLeod, the monorail's proposed starting point. Wenner-Gren envisages pulp and paper mills, hydro plants, major mineral and agricultural expansion.

Thought A Joke

The PGE has been a feature of B. C.'s life since 1912. It took 10 years for the 347-mile line from Squamish to Quesnel to be built. It then became known as the railway that started nowhere and went nowhere.

The line was extended north to Prince George in 1952. There it meets the CNR's transcontinental system.

One year later B. C.'s Premier Bennett (who is president of the PGE) decided to take on the long-shirked job of joining the southern end of the line to North Vancouver. He was met by bitter opposition from almost all sides. The inaugural run was made in August, 1956.

Passengers can travel in modern **Budd** cars from Vancouver to Prince George in a little less than 17 hours, compared with the 25 hours on the former schedule.

The PGE's financial background shows one of the many ways by which Premier Bennett breaks down cost barriers that hinder development.

Five years ago the debt incurred by the PGE amounted to $152 million. This included $90 million in interest.

The government wrote off the interest and cut the debt to $65.3 million. It then accepted some 653,000 shares at $100 par so that the bonded debt was written off completely.

In his budget speech last month Premier Bennett asked for additional borrowing powers of $30 million, thus raising the bonded debt limit of the PGE to $110 million.

The PGE's revenue has continued to increase. Gross freight revenue in 1945 was $667,494.

In 1953 it had climbed to $3.8 million. In 1956 the figure was $8.2 million.

Figures of the past year have not been made final, but in the first seven months of 1957 the gain was 6.6% over the same period of 1956. Total traffic showed a corresponding increase.

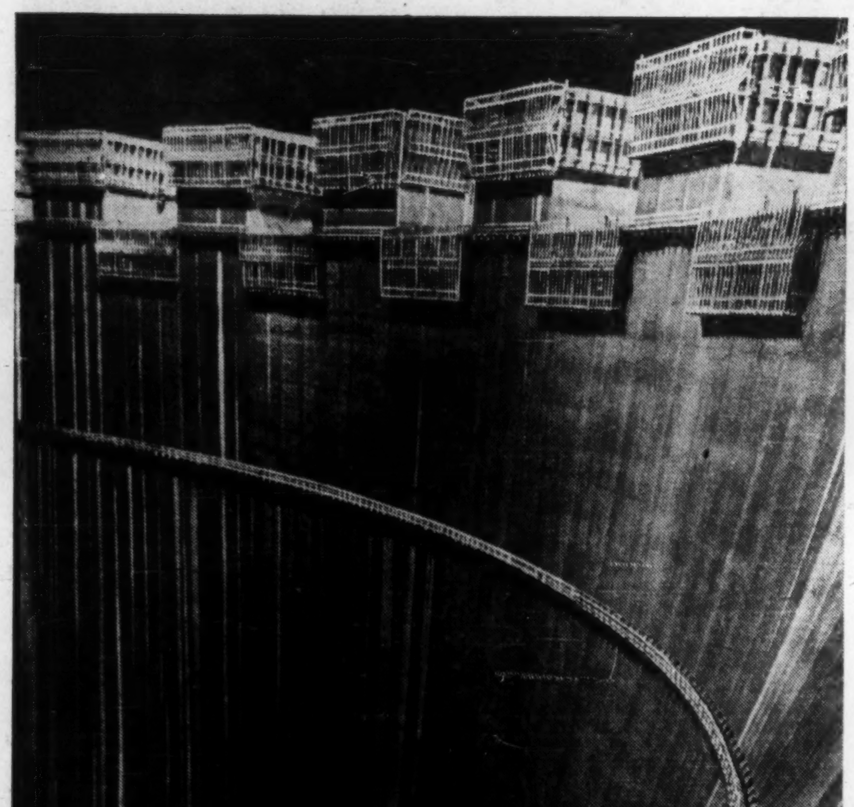
Premier Bennett proudly noted in his budget address that passenger traffic in 1957 totaled 261,000, a 133% increase over 1956.

In 1954, for the first time in the history of the railway, an operating surplus was earned. It totaled $265,000. PGE has shown an operating profit for four consecutive years, the premier notes.

With an eye to greatly increased direct traffic between the Peace River area and Vancouver, PGE has been conducting piggyback transport experiments.

Power... Pulp... Paper...

ECONOMIC STUDIES · DESIGN · MANAGEMENT

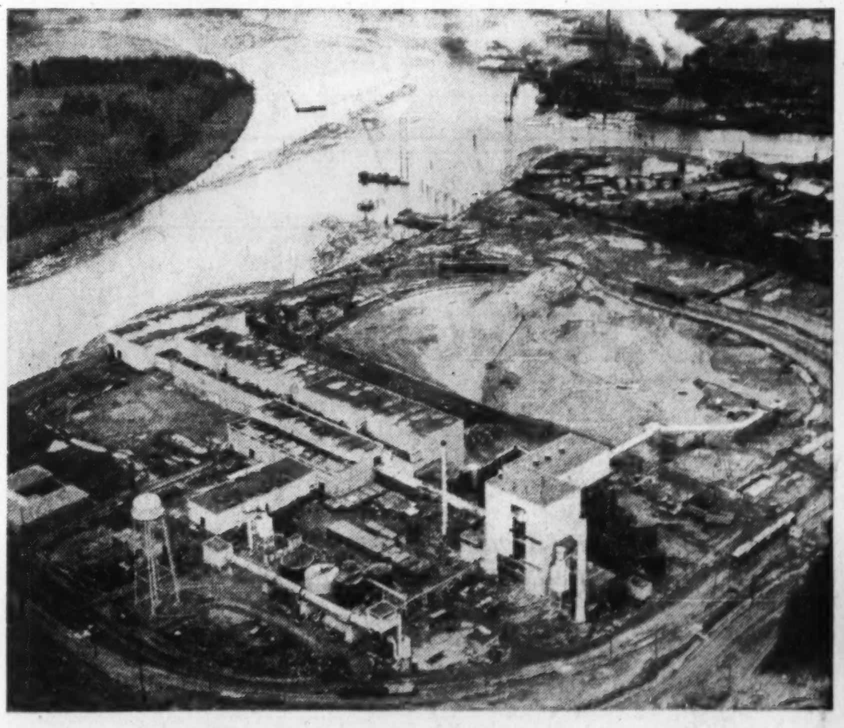


MAUVOISIN HYDRO-ELECTRIC POWER PROJECT

Electro-Watt Ltd. was responsible for the design and supervision of construction of the Mauvoisin arch dam in southwest Switzerland. Rising to a maximum height of 780 feet, the dam sets a world's record for arch type construction.

GEORGIA PACIFIC PAPER MILL PROJECT

Georgia-Pacific Paper Company unbleached kraft paper and linerboard mill at Toledo, Oregon, was completed early in 1958. The Sandwell Organization designed and supervised construction of this $22 million plant.



THE SANDWELL ORGANIZATION

CONSULTING ENGINEERS

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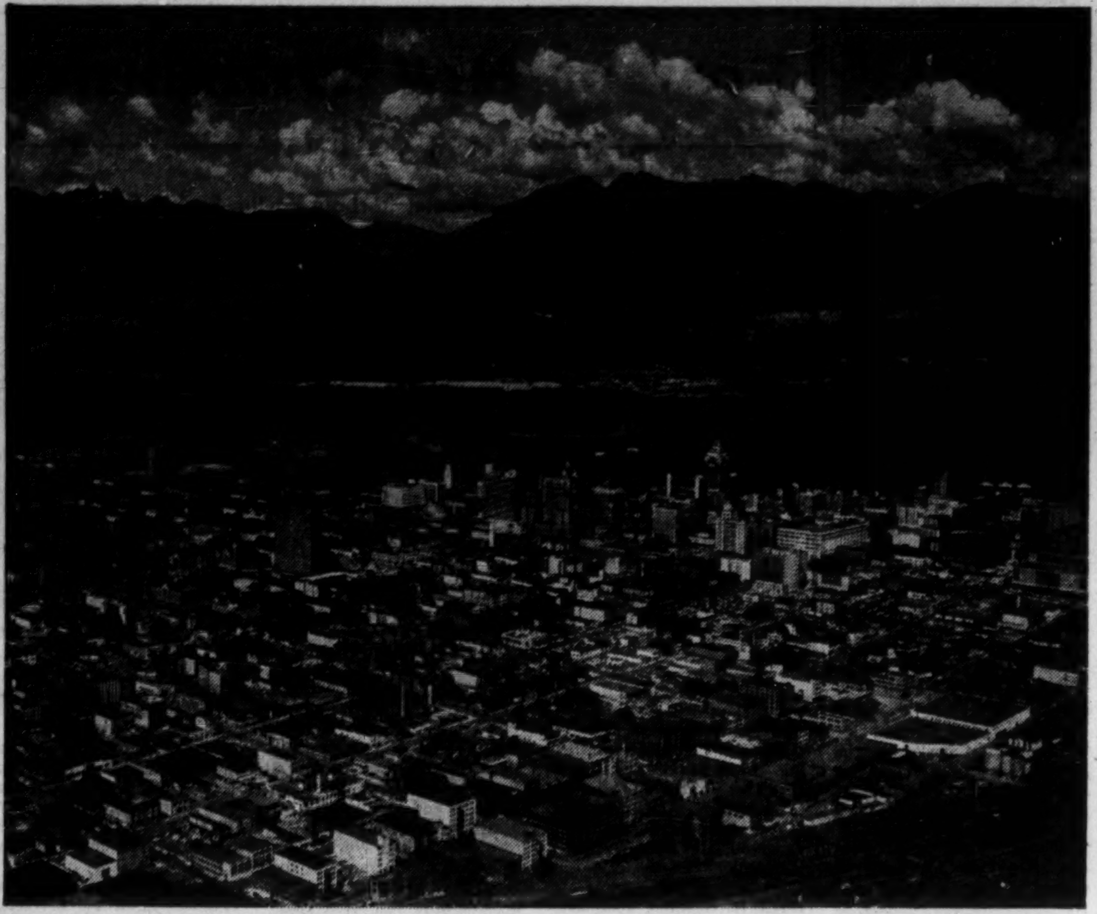


VANCOUVER—British Columbia's largest city with nearly 700,000 population.

Community Growth

Vancouver—Setting the Pace

Vancouver is enjoying its share of British Columbia's fast-paced development.

Population of the metropolitan area has increased 18.3% in the last five years (1951-56 census).

Biggest gain has been in North Vancouver (81.4%), with Surrey (46.6%), Burnaby (43.5%) and Port Coquitlam (43.3%) among the other top growth areas.

Biggest population increase in Vancouver's retail trading area has been in Squamish (119.4%). Chilliwack has increased 28.9%.

The number of building permits granted in 1957 increased to 13,206 from the 12,481 issued the preceding year. Value of the permits, however, dropped from $117.5 million in 1956 to $113.6 million last year.

The city assessment in 1957 amounted to $562.9 million for buildings, $204.4 million for land. This can be compared with $329.6 million for buildings and $138.6 million for land in 1951.

Vancouver

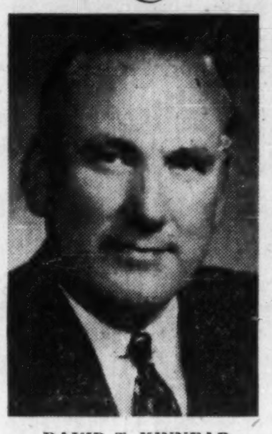
	1951	1957
Population	561,960	665,017
Building Permits	$39.7 mil.	$113.6 mil.

Industrial expansion is continuing at a significant rate this year. Among projects under way or recently completed are:

Canadian Pacific Airlines' $20-million expansion at Vancouver Airport. New hangar, new office buildings and cafeteria and a new flight simulation building are in the program, now far advanced, for operating **Bristol** Britannia turbo-prop airliners.

Dominion Bridge Co. is engaged in a $5-million, four-year expansion program for increasing the facilities of its plant to double steel fabricating capacity.

The National Harbors board has under way a new $8-million general shipping terminal to accommodate four ships for simultaneous loading and unloading.



DAVID T. KINNEAR

Wilkinson Co. has recently added a $1-million wholesale warehouse of 100,000 sq. ft., **Northern Electric Co.** a $750,000 warehouse and office and **Van Waters & Rogers (B.C.), Ltd.**, has announced a similar $250,000 development program.

A new manufacturing and wholesale facility is being established by **Western Wholesale Drugs Ltd.** Costing $800,000, it will serve as headquarters for **Cunningham Drug Stores Ltd.**, and include **Western Laboratories Ltd.**

Moore Business Forms Ltd. has invested $200,000 in new plant; **Carling Breweries (B.C.), Ltd.** has an $800,000 addition to its facilities and **Pepsi-Cola Co. of Canada Ltd.** is bringing in new industry with the construction of a bottling plant scheduled for completion April, 1958, at a cost of $500,000.

Municipal development has been characterized by heavy expenditures, primarily for the improvement of roads and streets, expanding and modernizing sewage disposal and similar maintenance for growth.

Two major civic projects are the new public library, completed last year, and the new civic auditorium, due to be completed later in 1958.

Without any other single major project, municipal expenditures in 1958 will be in the region of $57 million. Higher costs have pushed the amount slightly above the 1957 level.

At the civic election last November, a five-year plan was approved to authorize the outlay of about $90 million for schools and public works.

President of Vancouver Board of Trade is David T. Kinnear, general manager of **T. Eaton Co.'s** B. C. division and a director of the company.

Kinnear, born and educated in Ireland, joined T. Eaton Co. when he arrived in Canada. He worked first in Toronto, later in Hamilton, before being appointed assistant to the vice-president of the new B. C. division in 1948. He became general manager in 1952.

An active golfer, interested in baseball, football and soccer, Kinnear is married, has two sons.

As head of the Vancouver Board of Trade he now leads an active group of 2,700 businessmen all concerned with the province's industrial expansion.

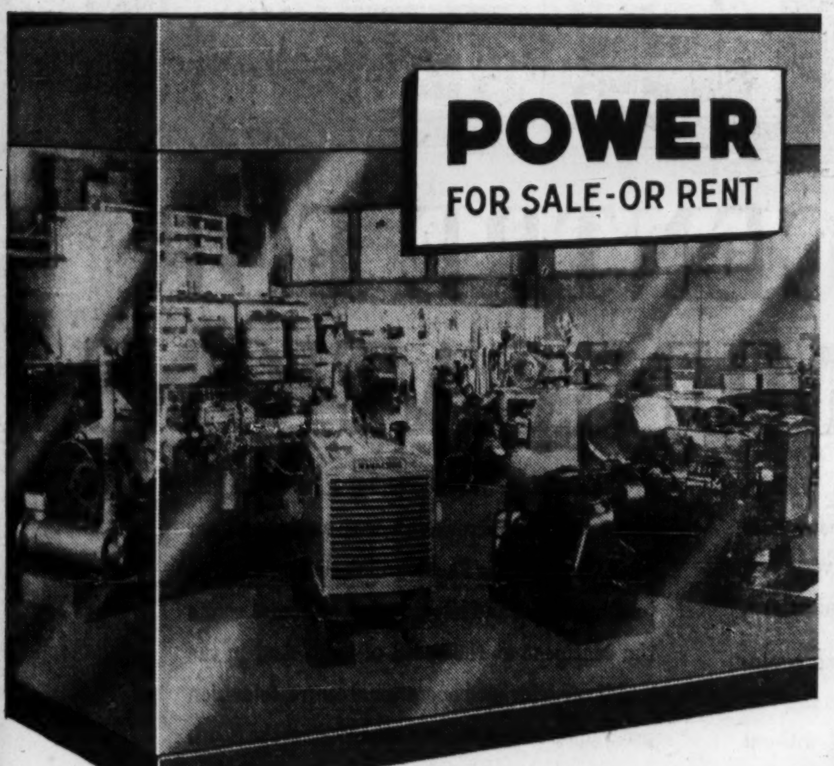
Kitimat

Population		14,000
Bldg. Permits	**No.**	**Value**
1953	...	...
1957	335	$10.9 mil.
Assessment		
1953		$ 2.2 mil.
1957		$72.8 mil.

Kitimat, wonder town of the West, lies at the head of a deep coastal inlet some 400 miles north of Vancouver. The city is a model community designed from the ground up by some of the world's top town-planners for **Aluminum Co. of Canada.**

Incorporated in 1953, the city's remarkable development continued on through

(Continued on page 64)



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★ Flashing window and door openings.
★ Bond breaker for terrazzo floors.
★ As moisture barrier in walls and ceilings of food lockers, cold storage plants and dairy rooms.
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★ Under asphalt shingles.
★ Waterproofing back of wood panelling.

VABAR DISTRIBUTORS FOR CANADA

SHANAHAN'S LIMITED

HEAD OFFICE — VANCOUVER, B.C.

Community Growth

(CONTINUED FROM P. 63)

1957 despite a temporary halt in the expansion program of the giant Alcan smelter.

The year saw the completion of 300 apartment units, a 40-house project and sundry other dwellings on a private basis, six churches, a public library, a primary school and an addition to the existing high school.

A new shopping plaza, costing over $1.2 million, was completed in the City Centre. It houses 23 varied retail stores.

Work slated for 1958 includes a start on a $3.8 million hospital with a potential accommodation for 280 beds. An $800,000, 4-story office building is to be built by private interests in the City Centre.

Work will continue on municipal service projects, land development and at the Kemano generator station. In all, some $13 million will be spent on construction in the area during 1958.

President of the Kitimat Chamber of Commerce is C. D. Sutherland, 39, an accountant employed by Alcan in insurance and property administration.

Powell River

Population		**10,000**
Bldg. Permits	**No.**	**Value**
1957	**348**	**$ 2 mil.**
Assessment		
1957		**$34.4 mil.**

Powell River, on the Pacific Coast, is the home of **Powell River Co.**, the world's largest newsprint producer.

The municipality was incorporated at the beginning of 1958; with adjacent territory, population now totals 14,000. The Powell River Co. has sold townsite and facilities—75% of homes are own-

FRANK NOSEWORTHY

ed by employees—and **Hudson's Bay Co.** has bought the department store.

Chief local development in 1957 was the completion of $21 million worth of expansion by the Power River Co. Cost of new office building, plant modernization and extension of steam plant was $5.1 million; new machine room and related equipment came to $16 million.

Other local expansions:

- **Lafarge Cement of North America**—modernization and expansion of lime rock quarries, $750,000.
- **B. C. Electric Co.** — building of two substations, $300,000; and 40 miles of distribution lines, $400,000.

Major 1957 municipal expenditure was a street-paving program which cost $350,000. Planned for 1958 is another $100,000 worth of street paving and an $800,000 waterworks expansion.

President of the Powell River & District Board of Trade is Frank Noseworthy, coastal area sales manager for B. C. Electric. An engineer and University of British Columbia graduate, Mr. Noseworthy has been on the coun . of the Board of Trade for .ne past two years.

Mr. Noseworthy's hobby is fishing—he is on the executive of the Malaspina Rod and Gun Club, and also is a member of the Westview Rotary Club. He is married, with nine-year-old twin daughters.

Burnaby

Population	**88,000**
Bldg. Permits	**Value**
1951	**$7,204,811**
1957	**$24,514,590**

Eight new industries established in 1957 helped to maintain last year Burnaby's reputation as one of the fastest-growing communities in B.C.

Furthermore, the outlook for industrial expansion in 1958 looks equally bright.

Burnaby is a suburb of Vancouver.

Property manager E. W. Grist told **FP** that applications for new industries and further extensions to industries already located in the area amount to a substantial sum and could top the total of more than $7 million achieved in 1957.

Progress was also made in construction and extension of school, hospital, rest home and recreational buildings.

The combined total of major undertakings under these four headings involving permits for more than $100,000 exceeded $2.5 million.

Last year's major additions were **Canada Safeway Ltd.** (warehouse), **Bekins Moving and Storage** (warehouse), **Prairie Pacific Transport Ltd.** (truck terminal), **Toy-Pak Co.** (toy packaging), **Mar Dall Holdings** (warehousing and trucking), **Construction**

E. BOWSER
President South Burnaby Board of Trade

Equipment Co. Ltd. (heavy machinery, retail, storage and repairs), **Bonus Foods Ltd.** (canned meats and spreads), and **Fruehauf Trailer Co. of Canada Ltd.** (transport trailers).

Other industries that underwent big expansion included **B.C. Electric, British American Oil Co. Ltd., Dominion Bridge Co. Ltd., Trans Mountain Tank Farm, Sidney Roofing,** Shellburn Refinery of **Shell Oil Co. of Canada Ltd., MacMillan and Bloedel, Ltd., Timber Preservers Ltd., B.C. Telephone Co. Ltd., Lenkurt Electric Co. Ltd. of Canada, Williams Moving and Storage (B.C.) Ltd., and Trans Mountain Marine Dock.**

Burnaby has an area of about 40 sq. miles and has 10 miles of salt-water frontage on Burrard Inlet and 10 miles of fresh-water frontage on the Fraser River.

It is serviced by four arterial highways, two transcontinental railways and also by the **Great Northern Railway** from the U. S.

The **Trans Mountain** oil line terminates there, bringing crude from Alberta and Northeastern B. C. and there are ample supplies of electricity and natural gas.

The municipal water distribution system was recently renewed and this fact and the existence of modern fire equipment have been a large factor in reducing fire insurance rates to a level comparable with the best metropolitan areas in Canada.

Well over 50% of homes are sewered and a five-year improvement now under way will see the whole of the municipality sewered within four years.

Large areas of land, both privately and municipally owned, are available for future expansion which is being planned by an up-to-date department.

These have been cleared and leveled and there are ample trackage facilities.

Victoria

Population	**130,000**
Bldg. Permits	**Value**
1951	**$ 9.4 mil.**
1957	**$18.4 mil.**

Victoria — capital of the Pacific coast province, seaport, vacationland, naval base and shipbuilding centre—has shown a 25.1% population increase in the last six years. In past years there was a 4% increase.

Currently under way is a $10-million project to make Victoria the most attractive capital city on the continent. Plans call for demolition of many older houses around the imposing Legislative Buildings. In their place will be erected permanent quarters for many provincial government offices located in temporary buildings.

Despite the growing industrialization, the tourist industry is still big business for the one-time Hudson Bay outpost. It's estimated that a half million visitors spend a total $5 million per year.

Every year more conventions are being held in Victoria, especially in the off-tourist season, thus spreading out the intake of tourist dollars. The centennial year is expected to bring a record number of visitors to the capital city.

Both local shipyards—**Victoria Machinery Depot** and **Yarrows**—are breaking into the industrial field and ex-

HUGH R. STEPHEN

panding their steel fabrication work.

At Patricia Bay, outside Victoria, **Fairey Aviation Co. of Canada** (subsidiary of U. K. Fairey Aviation) has added to its aircraft facilities and industrial division. This includes sheet-metal work, machine shop work, radio and electronics, plating and plastics.

Lumber and plywood — Vancouver Island's main industry—suffered a slackening in demand due to loan restriction, loss of the export trade, and a prolonged strike. However, with the new emphasis of the Federal Government on Commonwealth trade, the industry hopes to step up its export business.

Plans of **Consolidated Mining & Smelting** are going ahead at Jordan River, outside the city. Announcement of a major operation there is expected later in the year.

President of the Victoria Chamber of Commerce is Hugh R. Stephen, manager, of **New Method Laundries,** one of the largest such operations in Western Canada. Born in Guildford, Eng., in 1913, he and his family emigrated to Canada shortly before the Second World War. Enlisting in the ranks of the B. C. 5th Coast Regiment, he became adjutant. After passing through the Japanese language school, he was loaned to the British Army for psychological warfare in the Far East. Upon discharge in 1946 he and his father acquired control of New Method.

Managing Secretary of the chamber is Arnold E. Webb.

(Continued on page 65)

PORT OF NEW WESTMINSTER
BRITISH COLUMBIA

Canada's largest freshwater harbour on the Pacific Coast

SERVED BY:

★ Three transcontinental railways
★ All leading shipping lines
★ Modern terminal facilities

The deep-sea shipping point for the agricultural, dairy, lumber and mining products of British Columbia's fertile valleys, ore laden areas, and green timberlands.

For information write:

THE NEW WESTMINSTER HARBOUR COMMISSIONERS
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New Wealth Along Old Trails

The rich furs of the north were the first wealth to be carried down the historic trails of Interior British Columbia. Later the gold of the Cariboo spread the word of this Province's wealth to the world and once again the old routes brought progress to Canada's western province.

Now, at the turn of British Columbia's century, natural gas transmission lines follow the ancient paths, carrying the riches of the Peace River country to consumers of the Cariboo, Okanagan and Kootenay districts.

In its transmission and distribution systems Inland Natural Gas Co. Ltd. has a $25,000,000 stake in the future of Interior British Columbia.

Natural gas, the modern wonder fuel, has opened up a new industrial empire in B.C. where business and industry can escape the high cost of coastal locations . . . where workers can settle in communities unsurpassed in North America for friendly, comfortable family living.

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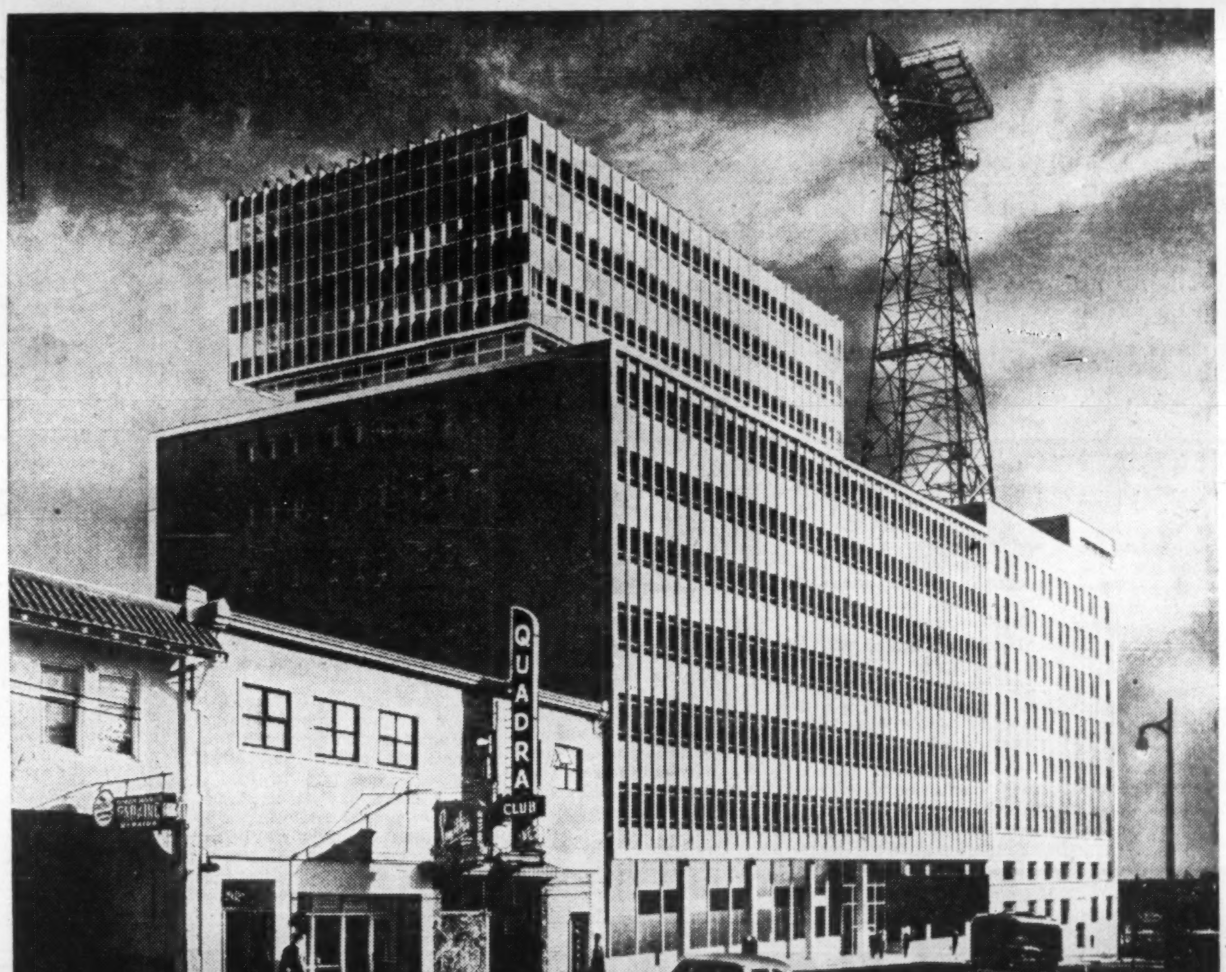


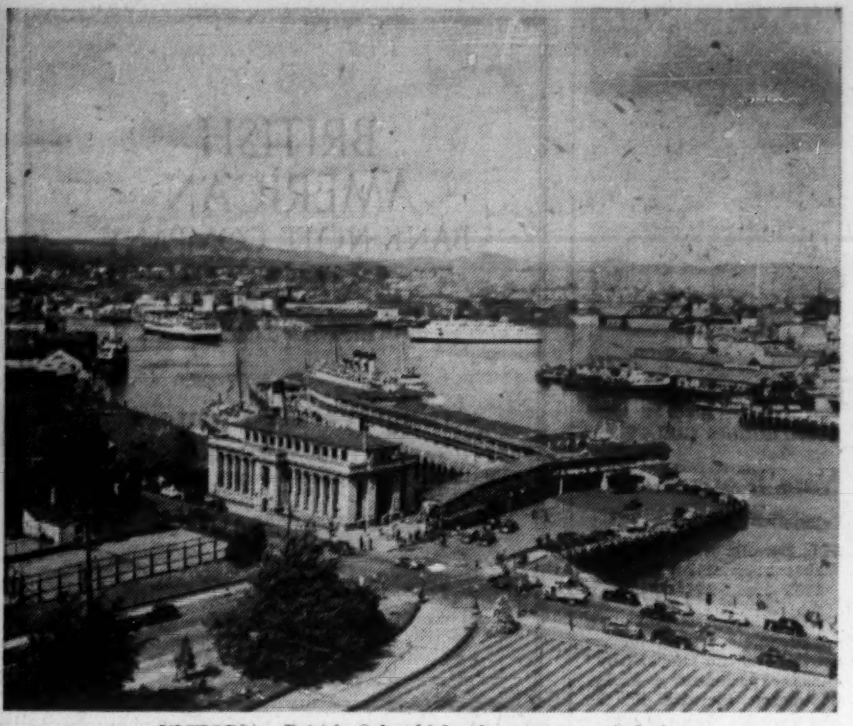
NERVE CENTRE FOR B.C. COMMUNICATIONS

When the twelve-storey addition to the William Farrell Building in downtown Vancouver is completed, the building will be, in a very real sense, the nerve centre for B.C. communications.

Here will be housed intricate telephone equipment enabling 192 Long Distance operators to dial direct to numbers in distant cities, without the assistance of an operator in the other city. Here will be the network centre for the radio relay chains linking many points in British Columbia. High atop the building itself, the last of the chain of microwave towers extending from the Atlantic to the Pacific will flash long distance telephone calls and television programmes across the continent at the speed of light. And in the building's television operational centre, television programmes received from the East or the South will be monitored for clarity of sound and picture, then passed along to the local TV station for transmission to thousands of B.C. homes.

BRITISH COLUMBIA TELEPHONE COMPANY

"Canada's Second Largest Telephone System"



VICTORIA—British Columbia's picturesque capital city.

Community Growth

(CONTINUED FROM P. 64)

Prince George

Population **11,000**

Bldg. Permits
1951 .... **$ 910,000**
1957 .... **$4,700,000**

Assessment
1951 .... **$ 6.1 mil.**
1957 .... **$16.9 mil.**

Prince George — gateway to the North — has more than doubled its population in the last six years. In the same period the value of building permits has grown more than fivefold.

With the extension of the **Pacific Great Eastern Railway** into the Peace River area Prince George will become an even more important landmark in the development of the northern part of the province.

Major municipal expenditures in 1957 include $500,000 for the coliseum, $285,000 on sewers, $100,000 on a new police building, $50,000 water works extension, $250,000 on a land assembly project, $20,000 on civic centre improvements and $60,000 on equipment.

WALTER F. BURNS

President of the Board of Trade is Walter F. Burns, superintendent of the Dominion Experimental Farm at Prince George. He received his B.S.A. from the University of Saskatchewan in 1936 and his M.S.c. in 1938. He then joined the Experimental Farm Service. He is past president of the Associated Boards of Trade of British Columbia and a regional director of the B. C. Chamber of Commerce.

Secretary-manager of the local board is William J. Shockey.

Kimberley

Population 6,100

Bldg. Permits	**No.**	**Value**
1951	**139**	**$ 78,000**
1957	**218**	**$420,000**

Assessment
1951 **$4.1 mil.**
1957 **$4.4 mil.**

Kimberley is a mining, lumbering and manufacturing city in an East Kootenay valley on the main highway from Washington State through the Windermere Valley to Banff and Calgary.

Major employer is **Consolidated Mining & Smelting Co.** with 2,000 people on a payroll of about $5.5 million a year. The company's Sullivan Mine is one of the largest producers of lead, zinc and silver in the world.

Kimberley's fertilizer plant, erected in 1954 at a cost of $11 million, employs over 200 men and has an annual production of 70,000 tons of Cominco phosphate fertilizer.

The city was incorporated in 1944. In the 14 years since, it has laid new sewers, paved streets, installed an electric substation and built a new municipal building, a high school, central warehouse and garages.

One of the continent's finest big-game hunting grounds lies almost at the city's doorstep. Excellent fishing can be had in the nearby lakes and streams.

Kimberley's Chamber of Commerce is headed by M. E. Garden, secretary - treasurer of Lloyd's Hardware Co.

Mr. Garden, 48, was educated at Cranbrook and the University of British Columbia. He worked for Consolidated Mining & Smelting before joining Lloyd's.

Kelowna

	1951	**1957**
Population (city only)	**8,517**	**Over 9,000**
(City & suburbs)	**Over 10,000**	**Over 12,000**
Bldg. permits	**211 valued at $1,125,385**	**292 valued at $1,604,368**

Kelowna is centre of a fruit-growing, storing and processing industry on Lake Okanagan worth more than $25 million annually.

On an area basis it has one of the largest populations in B. C.

One of the shortest commodities there at the moment is space.

The City Council is making a determined effort to get its boundaries extended.

A professional survey completed last year recommended three possible expansions, one of which is to be completed by the end of 1958.

To keep pace with expansion in other respects, bylaws were passed at the December, 1957, elections authorizing extension of the water system by an outlay of $90,000 and remodeling of the

H. S. HARRISON SMITH
President
Kelowna Board of Trade

sewerage system at a cost of $210,000.

Both these will be ready by the spring.

Municipal expenditures completed last year included:

Light	$45,000
Water	$11,000
Building improvements .	$5,000
Equipment	$40,000
Sidewalks	$29,000
Sewers	$18,300
Airport ...... ($300,000 application to the Government is awaiting approval.)	$20,000
Public Works .	$105,600

In addition to the permits already mentioned above others totaling $878,338 were issued in an adjoining 7-mile controlled zone, of which 65 were for new dwellings.

The only new secondary industry established during 1957 was **H-L Metals and Engineering Ltd.,** which manufactures aluminum tube, TV antennas and garden furniture.

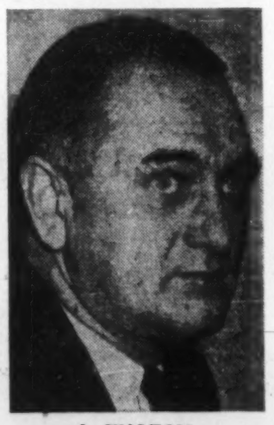
This firm at present employs 10 but expects to employ more as business develops.

Penticton

	1951	1957
Population	**10,517**	**12,300**
Bldg. Permits	**—**	**$2.9 mil.**

A hotel extension costing $116,000 and two new motels under construction at a cost of $42,000 and $10,000 are typical of the continuing optimism of Penticton, a popular B. C. tourist city.

In the heart of some of Canada's richest fruit growing country, Penticton is in



A. WALTON

an enviable position scenically, as well as being well situated as a distribution centre.

The city's fast growth can be seen in assessment figures for 1957 which have climbed to $28 million, compared with $5.5 million in 1951. In the same period, population has increased from 10,517 to 12,300.

In 1957, building permits jumped to $2,927,051 as

(Continued on page 66)

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Community Growth

(CONTINUED FROM P. 65)

trucking outfits and **Inland Natural Gas Co.** built headquarters in the city. Further expansion is expected in 1958 with at least one large firm considering location.

Extensive work is being carried out on the Penticton airport. The runway is being increased to 6,000 ft. and extensions are planned to accommodate four-engined aircraft. At present, the city is served by **Canadian Pacific Airlines,** with daily flights to Vancouver and Calgary.

Fruit is still the largest income maker in Penticton bringing more than $3 million each year. The tourist industry is a close second at $2.5 million.

Reflecting the progress of the city is the council's record high budget for 1958.

Some $42,750 will be spent on sidewalks and gutters; $35,350 on gravel roads; $35,000 on street paving; $27,900 on storm sewers; $41,800 on equipment; $13,600 on public parking areas; $8,800 on irrigation system; $87,000 on domestic water mains; $22,500 on new domestic water services; $5,000 on street lights; $75,000 on electric light extensions; $50,000 on a building to commemorate British Columbia's centennial and Penticton's 50th anniversary; $10,000 on office equipment and $13,000 on bridges.

Main fruit crops raised near the city are apples, peaches, apricots, pears and prunes. But a few growers are venturing into strawberries. The early cherry crop is famous across the continent.

Like most other Canadian cities Penticton is experiencing difficulty in keeping page with its school population. A new school was opened in 1957 on the West Bench, a veteran's subdivision, but it is already overcrowded. Extension is planned for this year.

Also due for opening this year is a new junior high school to serve the Skaha Lake area.

President of the Penticton Board of Trade is A. Walton. The mayor is C. E. Oliver. Secretary - manager of the Board of Trade is J. C. Donald.

Nelson

Population	7,200
Assessment	
1951	$7.6 mil.
1957	$13.4 mil.

Nelson is an important distribution point between Calgary and Vancouver, serving southeastern B.C. It is a **Canadian Pacific Railway** divisional point and repair centre. The community is also

C. W. RAMSDEN

served by bus, air and motor truck lines, and is the centre of a popular tourist area.

Other features:

- Provincial and federal government area headquarters, employing 425, are located at Nelson.
- It is the largest lumber manufacturing centre of West Kootenay with 500 employed in mills.
- It's also a mining centre with 1,150 employed.
- Retail sales are $17 million, and family income averages $4,817—1957 figures.
- Last year's bank clearings were $45.2 million.

Last year, Inland Natural Gas began operations and now has 1,400 connections in the city. There was no marked expansion of other industries although early this year, the **Eddy Match Co.** purchased **Kootenay Forest Products Ltd.** as a subsidiary and it is expected that some expansion of operations will result.

Home building in the city is restricted because of the confined corporate limits and most home construction is in fringe areas where building figures are not available.

Major 1957 municipal expenditures on capital works amounted to $400,000 and the 1958 estimate is $350,000, for sidewalks, street paving and a hydro substation.

Largest building project to be completed in the city is the 125-bed hospital for the Kootenay Valley Hospital Society.

President of the Nelson Chamber of Commerce is C. W. Ramsden, 48, publisher, manager and director of **News Publishing Co.** Married to the former Elizabeth Laidlaw, he has two children.

Mr. Ramsden has served in many community activities and is currently a director of Community Chest and member of Rotary.

Prince Rupert

Population		10,500
Bldg. permits	**No.**	**Value**
1951	208	$ .32 mil.
1957	480	$2.1 mil.
Assessment		
1951		$14 mil.
1957		$22 mil.

Prince Rupert is a major distribution centre for northern B. C.; it is an ice-free port on the northern shore and a terminus of the **Canadian National Railways.**

Continual expansion of the **Columbia Cellulose Co.**'s pulp mill puts a sound foundation under the community's growth. This mill, the value of which was set at $27 million some time ago, is one of B. C.'s major postwar developments.

Located at Watson Inlet, eight miles south of Prince Rupert, the mill has a capacity of 300 tons a day and is currently being increased.

Because of the mill's operations forest activity in the Prince Rupert area has been stepped up considerably in the past few years.

Four years ago, the area's forest resources were estimated at 1.7 million cu. ft.

Other developments in the vicinity now augment the city's importance as a distribution point. **Ketchikan Pulp and Paper Co.** in Alaska ships its products via Prince Rupert and municipal officials feel that growth implications for the community stem from the giant **Aluminum Co. of Canada** development at Kitimat, 80 miles away.

Last year, city roads underwent routine improvement and new sewers were installed.

Next year, there is a possibility that new city buildings will be constructed.

Firm plans have been made for construction of a new Museum and Tourist Bureau, for opening this summer. This last is part of B.C.'s centennial celebrations.

As a windup of Prince Rupert's centennial celebrations, the raising of a famous totem pole, which formerly belonged to an Indian chief and to which legends are attached, is planned. Also involved is an Indian "potlach" or feast.

Another factor influencing the city's development is the building of a large federal government airport on nearby Digby Island. This airport will accommodate the largest planes.

President of the Prince Rupert Chamber of Commerce is A. Bruce Brown, M.L.A. in the provincial legislature from 1953 to 1956. Mr. Brown, 47, was born in Grand Forks, B.C., and has practised law in Prince Rupert since 1940. A former president of the Rotary Club, he is married, with three children.

Secretary-treasurer of the chamber is Mrs. Jocelyn Boulton, a Prince Rupert resident for 10 years. She is also secretary-treasurer of the city's Tourist Bureau and curator of the Museum of Northern B.C.

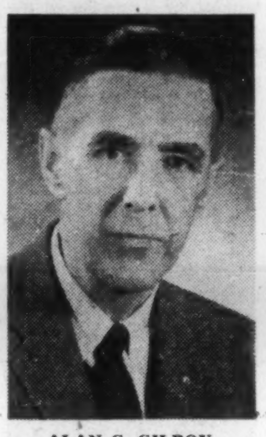
Vernon

Population		9,150
Bldg. Permits	**No.**	**Value**
1951 ...	106	$ 500,000
1957 ...	176	$1,600,000
Assessment		
1951		$10 mil.
1957		$18 mil.

Vernon — located in the heart of the famed apple-growing Okanagan Valley — has experienced a 17% population increase in the last six years. Value of building permits has more than tripled in this period.

Major municipal expenditures in 1957 included $275,000 for improvements to the waterworks system and $33,500 for purchase of a 30-acre site for community services. Major expenditures for 1958 include $75,000 for construction of health-centre building, $70,000 for civic arena improvements, and $68,000 for road surfacing.

President of the Board of Trade is Alan G. Gilroy, man-



ALAN G. GILROY

ager of the Vernon branch **Canadian Bank of Commerce.** Born in Lanark, Scotland, in 1906, he came to Canada in 1911 and joined the bank upon completing his schooling. He is chairman of the 1957-58 "Do It Now Campaign," and treasurer of the Salvation Army Red Shield. He is also a member of the Gyro Club.

Secretary of the Board is M. V. McGuire.

J. HOLLIS GILLEY

New Westminster

Population		32,000
Bldg. Permits	**No.**	**Value**
1951	355	$2.4 mil.
1957	296	$4.3 mil.

New Westminster—known affectionately throughout the province as the "Royal City"—has experienced a 10.6% population increase in the last six years. Value of building permits in this period has nearly doubled.

In the past year **Capital Wire & Manufacturing Co.** completed a $1-million plant and **Martin Paper Products (B.C.) Ltd.** completed a $750,000 addition.

Currently under way is a $1-million plant of **Canada Wire & Cable Co.** which will provide employment for 200 people and an $8.5-million plant for **Western Copper**

(Continued on page 67)

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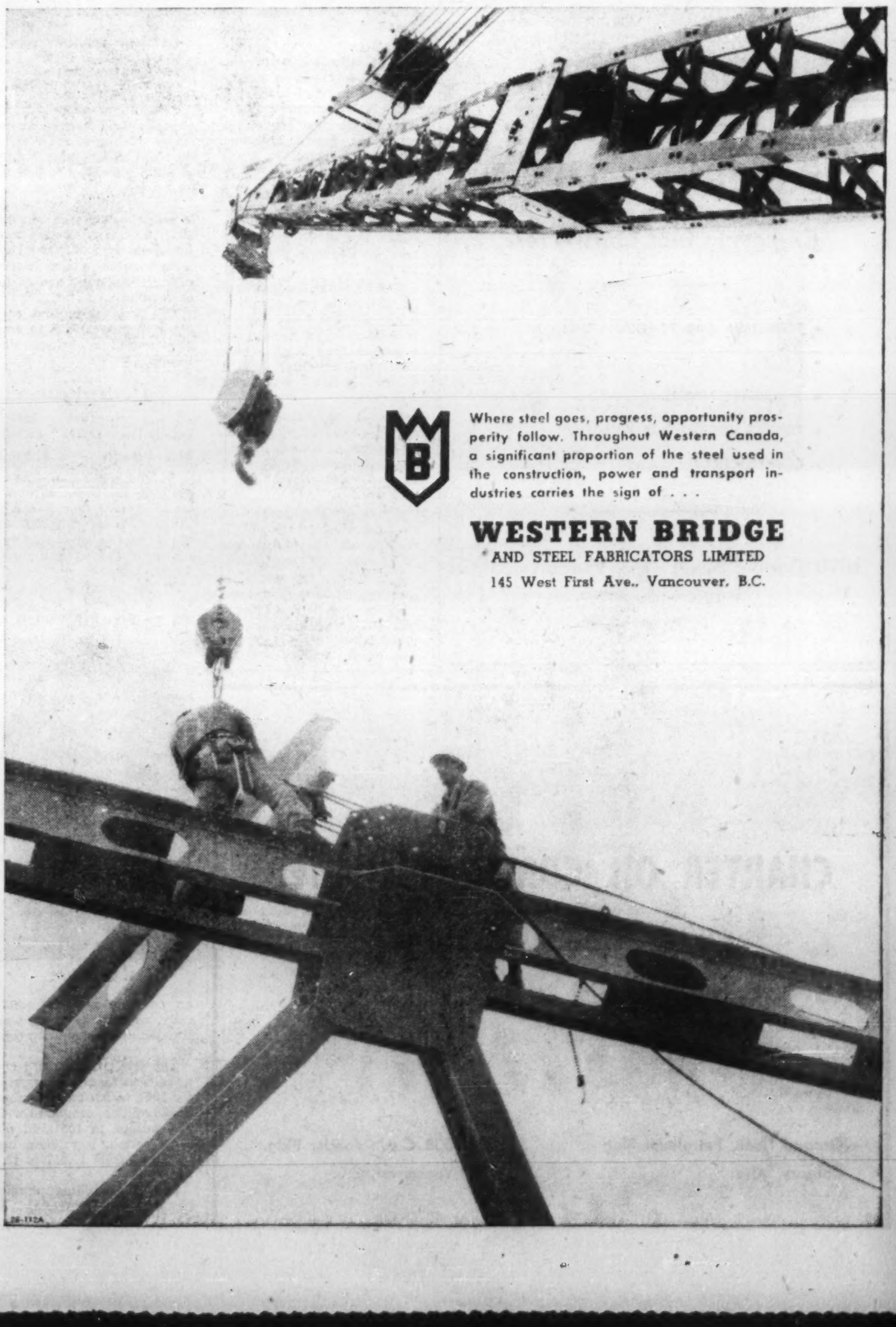

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Pulp and Paper

New Mills in Operation

British Columbia's pulp and paper mills share the problems that confront the industry throughout Canada, the situation being different on the West Coast only because nowhere else in the world has there been so much expansion of productive capacity during the past decade.

This expansion continues.

Several new mills have only recently come into operation, and additional machines will be producing within the next few months.

In a sense, the industry in B.C. has an advantage in that so much of its equipment is modern and efficient, and the benefit of tidewater location and ready access to the markets reached by sea is important.

The industry is also blessed by the abundance of excellent pulpwood timber whose cut is being carefully regulated under long-term forest management plans; and there is the additional bounty of cheap waterpower.

For the long term, B.C.'s pulp and paper industry is obviously in a preferred position, and investment capital must have been convinced of that before embarking on the still prevalent expansion program that has cost upwards of $300 million since the end of World War II.

But like the pulp and paper mills in other parts of Canada, those on the west coast are having to adjust themselves to a condition of temporary oversupply, lower prices for some grades, and, above all, the rising costs of production.

This latter obstacle was emphasized during the recent industry-wide strike which accounted for an estimated loss of more than $60 million to the industry alone.

Asked 12% Hike

Despite the obvious slump in world markets, union labor asked for a 12% increase in wages. It finally settled for a 7½% increase with fringe benefits, but it fastened an additional load on the industry at a time when it could be ill afforded.

B.C. is particularly vulnerable economically because of its dependence on distant markets for sale of its major products such as pulp and paper.

The chief competition in the world market comes from countries with lower wage standards and lower capital construction costs and closer proximity to the consuming areas. In addition, there is the rising tax structure.

B.C. has to ship its products a greater distance than any other important producer of pulp and paper.

Norway, Sweden and Finland, important producers, have the advantage of low cost hauls to the British and European markets.

In North America the great market, of course, is the U.S., but U.S. mills are much closer to their customers and except in the case of raw pulp and newsprint they operate with tariff protection.

Eastern Canadian mills are much closer to the great populous consuming markets of both the U.S. and the U.K.

B.C. mills have ready access to the markets of California, but Washington and Oregon are important producers of pulp and paper, too, and Texas, which used to be one of the best markets for B.C. newsprint, now has a fast-growing paper industry of its own, and Texas mills operate with a cost only about 70% of B.C.'s.

In addition, while there is a big supply of raw materials in B.C., the cost of harvesting timber and transporting it to the mills is high and it becomes higher every year as the available supply recedes into the more difficult terrain.

It is unnecessary to recite all that has been done by the operating companies in detail. But here are a few illustrations of what has been done since the close of World War II:

▶ **Powell River Co., whose newsprint mill is regarded as the world's largest single-unit operation, has spent some $50 million** on two new paper machines, new wood room and various other important additions.

▶ **Crown Zellerbach Canada has become a much more formidable factor in B.C. since the war** through the establishment of its subsidiary **Elk Falls Co.** at Duncan Bay, Vancouver Island, destined to be one of the larger integrated industry centres, with newsprint and kraft mills and sawmill.

The company at present is engaged in a $30 million expansion program. A bleached sulphate plant was recently completed and a second newsprint machine is now being installed. Crown Zellerbach Canada also operates the Ocean Falls mill, one of the most diversified on the coast.

▶ **MacMillan & Bloedel will this year wind up the biggest expansion program ever undertaken by one company in B.C., if not in all Canada,** involving expenditure of some $85 million at Port Alberni, where the company has operated a bleached sulphate mill since 1947.

The pulp capacity is being doubled, newsprint machines are being installed and provision is also being made for coarse paper and board production.

▶ **Alaska Pine & Cellulose, which operates high-alpha pulp mills at Woodfibre and Port Alice and rayflo** (fluid made from hemlock bark used in drilling oil wells) plant, as well as sawmills, has been working on an extensive improvement program at both of its mills.

▶ **Canadian Forest Products, which acquired the Port Nelson unbleached pulp mill on Howe Sound from the Sorg Paper Co.** several years ago, has converted this into a high grade chemical pulp mill.

▶ **B.C. Forest Products, which until recently concentrated on production of lumber, shingles and plywood,** has just completed B.C.'s newest bleached pulp mill at Crofton, Vancouver Island, at a cost of some $40 million.

▶ **Columbia Cellulose Co., has been making continual improvements at its high alpha pulp mill at Prince Rupert.**

Its affiliate, **Celgar Ltd.**, is working on a long-term construction scheme near Castlegar in the East Kootenay district, providing for the building of a $30 million pulp mill and associated facilities.

Both companies are subsidiaries of **Canadian Chemical & Cellulose,** which in turn is the Canadian affiliate of **Celanese Corp. of America.**

▶ **Sidney Roofing & Paper Co. is in the midst of an unusual moving job, transplanting its mill from Victoria to the mainland,** where the plant is being housed in a modern $7 million plant in Burnaby fronting on the Fraser River. The move from Victoria, where the company has operated since its establishment soon after World War I, was dictated by high transportation costs between the mainland and Vancouver Island.

▶ **Westminster Paper Co. has recently installed additional machine capacity and other improvements** at its New Westminster mill.

This abbreviated review will at least dispel any idea that the industry on the west coast has not made spectacular progress, and even during the present period of relative slowdown the expansion has continued, although the peak in construction has probably been passed.

New Projects

Nevertheless several new projects are on the planning boards, and it is expected that before long **Western Plywood Co.** will proceed with its long deferred pulp mill in the Cariboo country.

If the market had continued strong and a forest management license could have been obtained, this undertaking would probably now be under way.

More than 1.5 million tons of pulp and paper are now being produced in B.C., and the range of products includes newsprint, sulphite pulp, alpha and dissolving pulps, sulphate pulp both bleached and unbleached, wrapping paper, tissue and special grades, building paper, paperboard and felts, box board and market groundwood.

The U.S. market absorbs most of B.C.'s production of both paper and pulp, representing 52% or $117.3 million in 1956, the last year for which complete statistics are available.

The Canadian market purchased 28%, valued at nearly $63 million.

Latest valuation of pulp and paper plants and equipment in B.C. was put at $424 million, but this figure has been substantially increased as a result of the new plant completed during the past year.

Annual payroll of the industry is estimated at more than $55 million, with more than 8,600 men and women employed, with an additional 3,000 in the logging and transport divisions.

In direct taxes the industry has been paying more than $26 million, and transportation charges have accounted for another $18 million.

According to one estimate, more than 30% of all the pulp and paper manufactured in B.C. is derived from wood chips produced from sawmill residue.

This effects an important economy for the entire forest industry and, as previously indicated, a financial blessing to many sawmill operations that otherwise would be dependent entirely on their lumber sales for revenue.

Community Growth

(CONTINUED FROM P. 66)

Mills Ltd. which will employ 300 persons. **Luck Lager Brewing Co.** is undertaking a $300,000 addition.

Industrial development plans for 1958 include a $2-million addition to be built by **Distillers Corp.-Seagrams** and a $300,000 structure by **Consolidated Helicopters.** Slated for completion this year is the new $350,000 municipal library which was begun last year.

President of the Board of Trade is J. Hollis Gilley, manager of the building supplies firm **Gilley Bros.** He is a native of New Westminster and a graduate of U.B.C. He is active in community affairs, being a member of the Gyro Club and having served on United Good Neighbor appeals and the Y.M.C.A. board of directors.

Manager of the Board is Keith Nettleton.

Trail

Population		13,671
Bldg. Permits	**No.**	**Value**
1951	...	$713,000
1957	350	$497,000
Assessment		
1951		...
1957		$19.5 mil.

Trail is the centre of one of the largest mining and metallurgical complexes in the world.

The city is situated on the banks of the Columbia River in southeastern British Columbia, a few miles north of the international border. Here are located the giant smelters of **Consolidated Mining & Smelting Co.,** the backbone of Trail's economic life.

Cominco's lead-zinc-silver operations plus work at the company's chemical and fertilizer plants employ about 3,500 people.

No major industrial expansion took place during 1957, although a new quarter-million-dollar research wing was formally opened by Cominco in July.

JAMES R. MILLS

A fairly large new business opened in 1957 to handle auto parts and accessories, tires, outboard motors, boats and a recapping service. No new industries were established during the year.

Principal municipal expenditures were: road improvement and hillside stabilization, $76,000; storm sewer construction, $135,000. Proposed expenditures for 1958 would allow a respective $88,000 and $157,000 for further improvement of these works.

The city has 19 churches, an ultra-modern hospital, department store, public library, sports arena, curling rinks and swimming pool. Facilities for all types of outdoor sports can be found close by.

President-elect of the Trail Chamber of Commerce is James R. Mills, M.B.E. Mr. Mills was born and educated in Manchester and joined the staff of Cominco in 1926. He is now assistant manager of research and development.

Mr. Mills was loaned to the Atomic Energy Commission in 1945 and was awarded an M.B.E. the following year.

A past president of Trail Rotary, his chief hobbies are golf and gardening.

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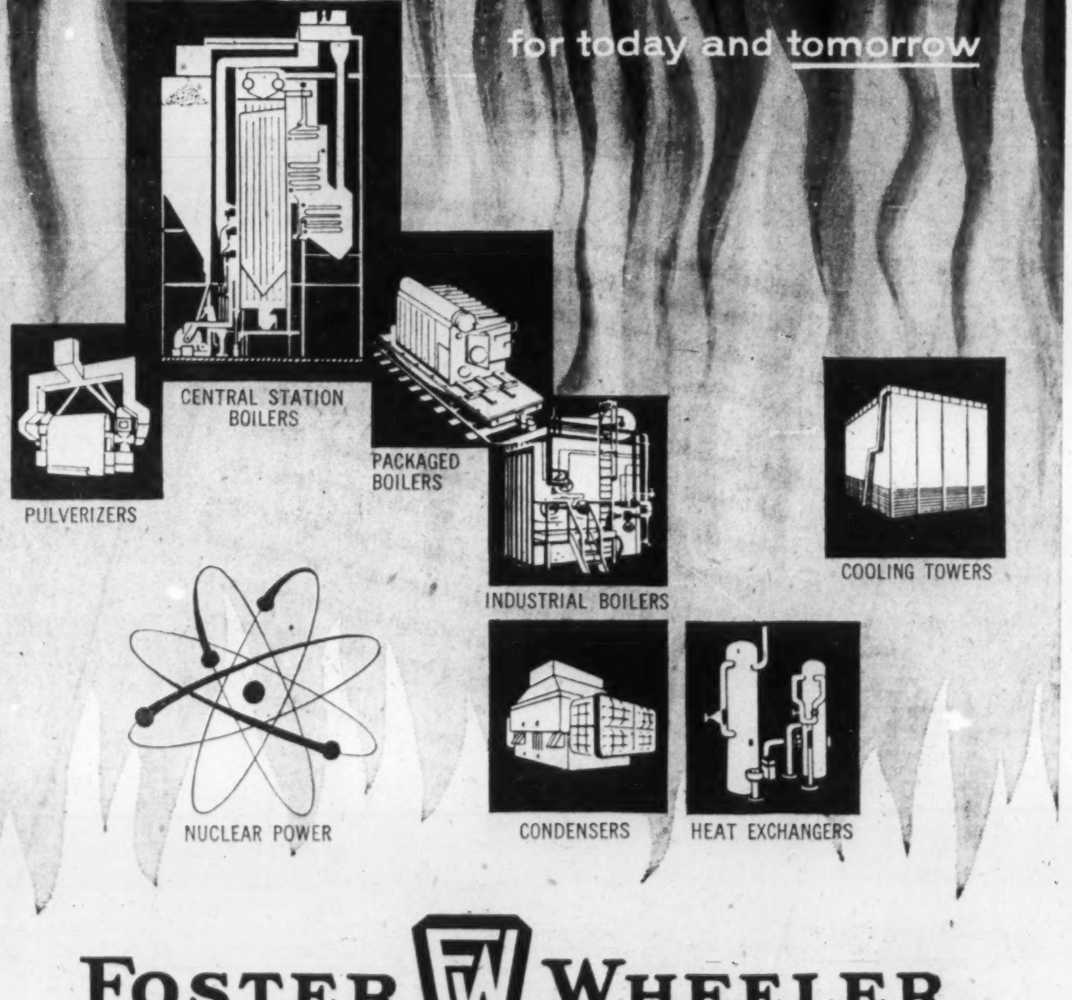

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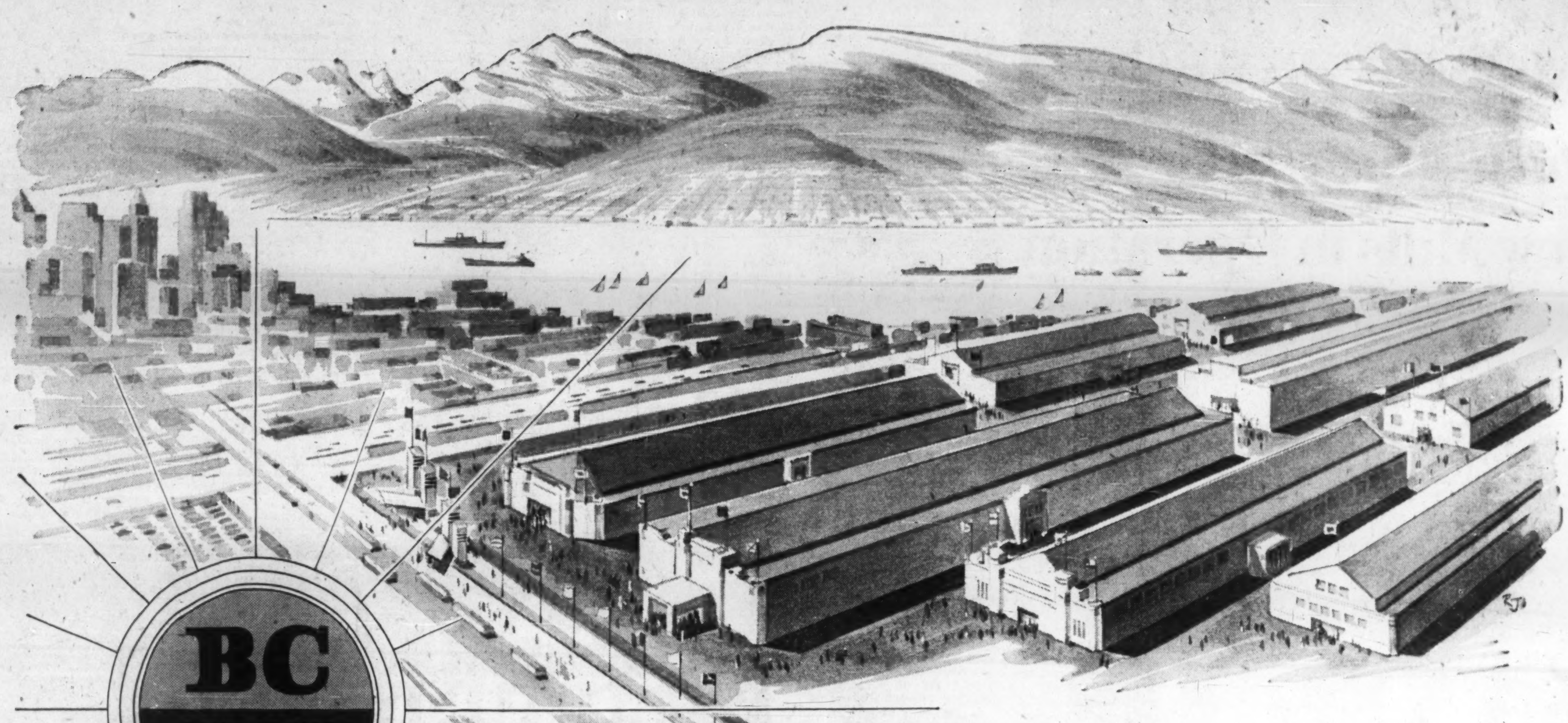

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For information write: T. L. Sturgess, Deputy Minister, Department of Industrial Development, Trade, and Commerce, Parliament Buildings, Victoria, B.C., Canada.

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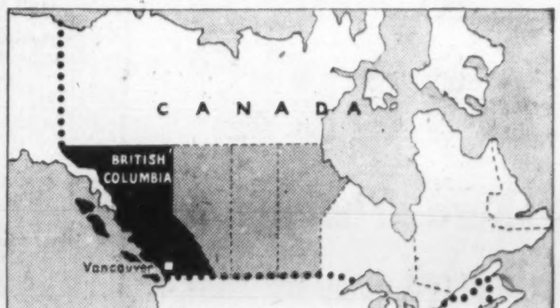
To the south, covering the huge and fertile delta in the mouth of the mighty Fraser River, the municipality of Richmond, in which is located the great 1500 acre International Airport, with its mile-long river frontage seaplane facilities, and from which five major air lines operate to United States and Latin America, Australia and the Orient, trans-Canada to the Atlantic Coast, over the top of the world to Amsterdam and the United Kingdom, as well as far northern Canadian and many British Columbia points.

This is "Greater Vancouver", with population approaching seven hundred thousand; annual payroll between seven and eight hundred million dollars; bank clearings of some seven billions; and served by three daily newspapers; one TV and six radio stations of local origin.

Terminus of four railways; and with its great harbour, comprising 98 miles of water frontage; 49 square miles of sheltered anchorage for deep-sea vessels; 52 berths for ocean-going vessels, among many other installations, Vancouver is truly the "Gateway to the Orient", and with its many scenic and recreational attractions, such as deep-sea or stream fishing; chair lifts; beautiful beaches; natural parks; all "minutes, not hours" from town, is a worthy host city to welcome you to British Columbia's International Trade Fair.



CANADA'S PACIFIC COAST INDUSTRIAL AREA

British Columbia is, in itself, a most attractive market, where in a decade, population has increased nearly 40%, salaries and wages have almost doubled, creating a retail market of well over one and a half billion dollars annually, and the gross value of its own manufactured products per annum has climbed by some 180%.

Naturally endowed with great, fast flowing rivers, providing inestimable potential for hydro-electric development; tremendous forests highly productive of pulpwood, lumber, plywood and by-products; a wealth of basic minerals; a generous flow of natural gas; and fishing grounds, which sustain a fleet of close to eight thousand vessels, British Columbia contains factory sites easily accessible by land, sea and air, and in climatic conditions sought by travellers from all parts of the world.

These forests, rivers, mountains, and coastal waters are of twofold benefit. Yielding the timber growth, fish, hydro power and minerals, which provide the province with such great wealth in natural resources, they also provide the features which create one of the world's most attractive and varied recreational areas.

Through forest and on mountainside roams an abundance of game of many species, from sheep to giant grizzly bear. Rivers, streams, and lakes teem with fighting game fish, and deep-sea fishing is a pastime off most every sea front. Restful resorts by fresh-water lakes or seashore are plentiful, with beautiful beaches and delightful boating.

Western hospitality, with all these and many other attractions, has created for British Columbia, a major industry in recreation.

The only Worldwide Trade Fair on the Pacific Coast of North America

The Government of the Province of British Columbia